

## LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, June 7, 1989.

The House met at 1:30 p.m.

### PRAYERS ROUTINE PROCEEDINGS MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**Mr. Speaker:** I would like to table the Annual Report on The Elections Finances Act, for the period January 1, 1988 to December 31, 1988, including recommendations respecting amendments to The Elections Finances Act.

### INTRODUCTION OF BILLS BILL NO. 25—THE CORPORATIONS AMENDMENT ACT

**Mr. Jim Maloway (Elmwood)** introduced, by leave, Bill No. 25, The Corporations Act; Loi modifiant la Loi sur les corporations.

### BILL NO. 26—THE REAL PROPERTY AMENDMENT ACT

**Mr. Jim Maloway (Elmwood)** introduced, by leave, Bill No. 26, The Real Property Amendment Act; Loi modifiant la Loi sur les biens réels.

### INTRODUCTION OF GUESTS

**Mr. Speaker:** Prior to oral questions, may I direct Honourable Members' attention to the gallery where we have from the Souris School thirty-two Grade 5 students under the direction of Mr. Wallman. This school is located in the constituency of the Honourable Minister of Northern Affairs (Mr. Downey).

Also with us today from the Hartney School, twenty-nine Grades 9 and 11 students under the direction of Lorraine Reimer. This school is located in the constituency of the Honourable Minister of Northern Affairs (Mr. Downey).

From the Hedges Junior High, we have thirteen Grade 9 students under the direction of Mr. Dick Toews. This school is located in the constituency of the Honourable Member for Assiniboia (Mr. Mandrake).

On behalf of all Honourable Members, I welcome you here this afternoon.

\* (1335)

### ORAL QUESTION PERIOD Budget Tax Reduction

**Mrs. Sharon Carstairs (Leader of the Opposition):** Mr. Speaker, my question is to the Minister of Finance

(Mr. Manness). My Party caucus is angry on behalf of the citizens of Manitoba, angry because this Government is deliberately keeping their money from them for the next six to 10 months. What is worse is that they will allow their federal cousins to actually make interest on this money in that period of time.

How do they explain to the people of Portage la Prairie that this provincial Government is prepared to give money to Ottawa when that same Ottawa Government is cutting their lifeblood? Will the Finance Minister tell us why the tax cuts will not be made on July 1, 1989?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, I am delighted that the Leader of the Opposition (Mrs. Carstairs) has asked the question. Let me also say I was disappointed, in reading the unedited transcript of yesterday's Question Period, that the Finance Critic of the Party opposite (Mr. Alcock) made reference to having talked to them, making it appear like he had spoken with federal Finance officials, indeed as it was indicated in the paper today that he spoke with individuals in New Brunswick.

I would like to table, at this time, a series of documents: firstly, a memorandum from the Deputy Minister of Finance of Manitoba, Mr. Curtis, to myself, laying forward a chronology of all of the efforts that we went through to try and attain a July 1 deduction point in time; also within this package, pardon me, part of the Tax Collection Agreement between the Government of Canada and the Government of Manitoba, a letter from the Assistant Deputy Minister, Mr. Gannon, to Mr. Roy, quoted in today's paper, Assistant Deputy Minister, with respect to the position as of today; and finally, and probably most significantly, a letter from Mr. Roy to Mr. Gannon dated today. It is four lines and with your permission, I would like to quote it. It says: "Dear Mr. Gannon: We have given careful consideration to the possibility of varying the deadlines for effecting changes to source deduction tables. Unfortunately, for operational logistical consideration, we must advise that it is necessary to abide by the terms of the tax collection agreements which gives the procedure, notification deadlines for such changes."

Mr. Speaker, we have done everything, we had done everything within our power previously to try and have those deduction basis July 1.

**Mrs. Carstairs:** With a supplementary question to the Minister of Finance (Mr. Manness), Mr. Clyde Wells, the Premier of Newfoundland, brought down a Budget yesterday. He informed me this morning that tax changes in his Budget will take place effective July 1, 1989. Why can they do it in Newfoundland and they cannot do it in Manitoba?

**Mr. Manness:** Mr. Speaker, I have laid before the House the commitments that have been given to us by federal

Finance officials. Indeed, I spoke to the Minister of Finance exactly three or four weeks ago and asked for permission directly to have the changes made July 1. I have laid before the House the chronology of the series of events that we have gone through in an official capacity to try and attain that. If the Member chooses not to accept the response, so be it.

**Mrs. Carstairs:** I do not accept the response because I expect our Finance Minister to be able to get the same out of Ottawa that other Premiers get out of this Finance Department. If other Premiers can get it, I want to know why this Premier (Mr. Filmon) cannot get it and this Finance Minister (Mr. Manness) cannot get it.

**Mr. Manness:** Mr. Speaker, if the Leader of the Opposition (Mrs. Carstairs), instead of going on some wild rage of a tirade, wants to look at the information that I have just tabled and presented to her, she will understand fully what we were able to attain in having retroactively the benefits of our tax reductions move right to January 1, 1989. I would ask her if the Premier of Newfoundland was successful in doing that and maybe why did he not do it, because he could not do it. We were able to do it because of the efforts that we went through in the last month and a half to attain for Manitobans the tax benefits, the tax reductions, presented in this Budget.

By the way, Mr. Speaker, which side of the Budget is the Member for or against? Is she with it or against it?

\* (1340)

**Mrs. Carstairs:** Mr. Speaker, with a new question to the Minister of Finance (Mr. Manness), this morning on Peter Warren this Minister was whining and snivelling—that is what it was—about the fact that the reasons why he could not make these changes was because we kept him in the House until December 21.

He has had five-and-a-half months to prepare a Budget. He has known his windfall revenues. Why has he not had the agreement of the federal Finance Minister and the taxation authorities in Ottawa leading up to this Budget, when the Prime Minister of Newfoundland did not even get elected until a couple of weeks ago?

**Mr. Manness:** Mr. Speaker, I find it passing strange when the Leader of the Liberals (Mrs. Carstairs) a year ago talked about the high road she was going to take, in front of all the students gathered here uses the terms that she does. I find that somewhat strange. I find it also strange that the Leader of the Liberals does her research by listening by Peter Warren. The point that I was attempting to make this morning to the listening audience was simply, and the Premier (Mr. Filmon) said it before in the past, that it takes basically five months to prepare a Budget when you are coming through Estimates of your own.

What Mr. Wells did, obviously he never reviewed the Estimates in Newfoundland, because nobody could prepare Estimates in the term of six weeks. The final point I make is this, that when you are in a minority

Government situation the only way you can have tax tables reproduced is after the Legislature, through a vote on the Budget, gives effect to them. How is it when you are in a minority situation like you are in Manitoba, with what degree of confidence can the federal authorities print those tax tables and distribute them to employers? That is the point I made this morning on Peter Warren.

**Mrs. Carstairs:** Mr. Speaker, as of 11:15 this morning, this Minister knew that he was going to get his Budget passed because the NDP, who referred to tax cuts as bogus, said they were going to agree with the Minister of Finance (Mr. Manness). So, will he go today and demand from the federal Finance authorities the same consideration that has been given to the Premier of Newfoundland?

**Some Honourable Members:** Hear, hear!

**Mr. Manness:** Mr. Speaker, the Leader of the Liberal Party (Mrs. Carstairs) says that I knew this morning. I have a press release that says one of the Opposition Parties may be supporting the Budget. If I could have the assurance that the Leader of the Liberal Party (Mrs. Carstairs), that they will support the Budget as of today, then I will consent to the fact that the Budget may pass. Do I have that consent in writing? Will the Member in writing tell me that she is going to support the Budget that we brought forward on Monday this week?

**Mr. Speaker:** Order, please.

### Support

**Mrs. Sharon Carstairs (Leader of the Opposition):** Mr. Speaker, there is a very simple question to the Minister of Finance (Mr. Manness). Why should we support incompetence?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, if the Leader of the Opposition (Mrs. Carstairs) is saying that bringing in a Budget that is going to provide for Manitobans \$61 million in tax reductions, if she is saying that setting away in a savings account \$150 million is incompetence, if she is saying that bringing in the lowest deficit in 11 years is incompetence, if she is saying that reducing Government debt for the first time in 20 years is incompetence, then I can understand why she will not support this Budget.

\* (1345)

### Budget Health Care Funding

**Mr. Gary Doer (Leader of the Second Opposition):** -(Interjection)- You decide which way you are going to vote and then we will find out. The wishy-washy Liberals are at it again. What can I do? Anybody who moves a motion on a wishy-washy Speech from the Throne and cannot decide on a Budget does not have my respect. The adult day care centre is at it again.

My question is a very serious one arising out of the Budget. Yesterday, the Minister of Finance (Mr. Manness) would not answer the questions, four times when we put it to him straight about how much money from the Department of Health is going to be lapsed into the money he is putting away in the so-called Stabilization Fund. How much money we approved, and the Minister mentioned that yesterday, in the Department of Health for needed health care priorities in this province is he putting away in the Stabilization Fund that he established through this Budget?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, the Leader of the NDP knows, although he is doing a better job than other Leaders, the Leader knows fully well that a dollar of savings or a dollar of revenue in a consolidated fund sense is indistinguishable. There is no difference.

We do not allocate a saving of a dollar in the Department of Natural Resources and say this is a dollar that has been saved in the Department of Natural Resources or not spent, and differentiate it from a dollar that has been raised by way of Liquor Control Commission revenue and say it is a different dollar. They all go into consolidated revenue, that is the definition of consolidated revenue, so I do not know what point the Member is trying to make.

We said we will make a full accounting with respect to the lapse factors. The Minister of Health (Mr. Orchard) will do that. All the Ministers of the Executive Council will provide for that. Again I reiterate, as I have before, that there was a saving basically in all of the departments of Government of 1.5 percent globally across Government as a whole, 1.5 percent, and that is part of the savings that allowed the reduction and the deficit of last year. We have budgeted at 196 and we came in with a year-end figure of 157.

**Mr. Doer:** Mr. Speaker, I have asked the Minister five times over two days about how much money has been underspent in the Department of Health. I have had it confirmed that it is \$21 million.

Will the Minister not confirm the Department of Health, and he quoted yesterday that we have supported the levels of expenditure within the areas of programming, and that is fair ball, but we did approve a level that he and his Government is underspending in the Department of Health by some \$21 million, some of it, a significant amount, out of the Capital program, out of the Medical Program and the Home Care Program. Will the Minister confirm that part of his Stabilization Fund is taking money out of the health care budget and putting it into the so-called "Tory sock."

**Mr. Manness:** Mr. Speaker, I will not confirm that. As a matter of fact, I have not seen the number. As I indicated yesterday in the hall, certainly the lapse factor was larger than the \$30 million that had been printed in the former Budget.

Let me say again that if there are savings that have been affected in the administration of Health, indeed in the provision of services in other area departments,

that those have been done through basically good management, that the services have not reduced.

What is the Member saying? Is he saying that if Members of the House provide both up to a certain amount that it is incumbent upon the Government of the Day to spend every one of those dollars? Mr. Speaker, if that is the case, then why did this former Government, why did they bring in the lapse factor at all? They are the ones that introduced it into budgeting.

## Health Care Funding

**Mr. Gary Doer (Leader of the Second Opposition):** We did not lapse in the Department of Health. We met the health care priorities of the people of Manitoba, Mr. Speaker. We had it confirmed in the lockup that the money was \$21 million. When his Government goes out and tells Clinic and the Municipal Hospitals and Concordia Hospital and those other places that have a capital expenditure related to them that they have no money, he is not telling the people of Manitoba the truth.

There was money in the capital budget, there was money for the Clinic, there was money for Municipal Hospitals. Why did this Government refuse to spend the money that we appropriated last year for the needed health care priorities in this province?

\* (1350)

**An Honourable Member:** Right on!

**Hon. Gary Filmon (Premier):** I just want to ensure that the Member does not mislead the House when he suggests that under his administration that they did not lapse funding in areas of health.

Mr. Speaker, I have some information, for instance, on the area of home care, an area that they have oftentimes raised in this House as a priority area within the Department of Health, that they have criticized us for not funding to a great enough extent. For instance, I have figures from fiscal years, '82-83, '83-84, that both under the NDP administration saw lapses in funding on Home Care of \$1.2 million and \$2.2 million in those two successive years.

The Member, surely, is not going to make the foolish argument here that says that departments must spend every single nickel, that there should never be any lapsing. Under that administration, lapsing of funds averaged close to \$50 million a year over the last three years of their administration. That is because people do not always spend all of the money that is budgeted for. That money should not be thrown on the streets in order to get rid of it at the end of a year. It should be taken as savings to the people of Manitoba. They did it when they were in Government. We have done it when we are in Government. It is only proper management, Mr. Speaker—

**Mr. Speaker:** Order, please; order, please.

**Mr. Filmon:** —and it is absolutely foolish, the argument that he is making.

**Mr. Doer:** Well, we will see the lapse factor for Home Care this year, Mr. Speaker. I know it is a lot higher than any other previous year.

Given the fact that the capital budget in the Department of Health and the Department of Health totally has underspent by \$21 million what we approved in this Legislature, will the Premier today commit the money that he is now putting in this new fund, commit that money for the needed health care priorities in this province that were underfunded last year by his Government and put the money and approve today Clinic, the Municipal Hospitals, Concordia Hospital, the Dauphin facilities, the northern facilities, as needed priorities for the people of Manitoba? We are not talking about putting the money on the streets of Manitoba. We are talking about putting the money in our health care system, something this Government is not doing.

**Mr. Filmon:** Mr. Speaker, again the Member is absolutely foolish in his arguments. Firstly, this Budget that he is going to be voting for calls for a—

**An Honourable Member:** By his announcement.

**Mr. Filmon:** Not by my announcement, he issued a press release this morning—calls for \$99 million of additional spending in health care in this province, \$55 million of it in hospitals, a 7 percent increase, well above the rate of inflation, probably more than 50 percent above the rate of inflation, Mr. Speaker. That money is committed because of the good management, because of the budgeting, because of the hard work of Treasury Board taking savings that we have been able to gather from all sources and making it available where it counts to provide the best standard of health care that we can possibly provide with the money available to us to the citizens of Manitoba.

With regard to his demands for us immediately proceeding with various Capital programs, he must be embarrassed after his Government froze spending on all of those capital projects, froze spending for almost a full year—

**Mr. Speaker:** Order, please; order, please.

### **Budget Fiscal Stabilization Fund**

**Mr. Reg Alcock (Osborne):** The Fiscal Stabilization Fund proposed by the Minister of Finance (Mr. Manness) and now endorsed by the Leader of the New Democratic Party is simply an attempt to obscure the real financial picture of this province and to provide the Minister with an election readiness slush fund. This slush fund will do nothing to help Manitobans. Will the Minister agree to withdraw their proposal?

\* (1355)

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, I am glad that the Finance Critic (Mr. Alcock) of the other Party rose today. I was questioning whether or not he might.

Mr. Speaker, there is some question—there is a response that has to be given to the desperate Leader of the Opposition (Mrs. Carstairs) when she uses the Newfoundland example. She would leave people to believe that there were source deductions made by employers under the new announcements of Mr. Wells as a week ago, his Budget.

Mr. Speaker, for the record, changes will not be brought in source deductions until next January under the agreement. Now that is the truth. There, there were increases from 60 to 62. They are committed under the same rules as we are with the agreement in Ottawa, and their employers cannot source deduct basis July 1, January 1. I demand an apology from the Leader of the Opposition (Mrs. Carstairs).

**Mr. Alcock:** There is no apology coming. It is 1 percent in January. There are changes this July 1. He can do it and you cannot.

### **Fiscal Stabilization Fund Auditor's Opinion**

**Mr. Reg Alcock (Osborne):** Now will you answer my question? Mr. Speaker, the Auditor in past reports has expressed all sorts of reservations about fragmentation of the reporting of operating results. Has the Minister of Finance (Mr. Manness) sought an opinion from the Auditor on his proposed new slush fund, and would he table that opinion in the House?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, the Member for Brandon East (Mr. Leonard Evans) asked basically the same question yesterday, and I responded to him. I said it was on the basis of the fact that we want to consolidate these funds that we are seeking legislative support for the establishment not as a slush fund as he would call it, but a Fiscal Stabilization Fund.

Therefore, the Provincial Auditor, by the way, has been made knowledgeable as to what our intentions are but, more importantly than that to the Government, is the fact that the House as a whole endorses the concept of a stabilization fund. That is why we brought it forward in a Bill form and a legislative form, seeking the support of all the people's representatives, because then the Provincial Auditor I am sure will look at it much differently.

**Mr. Alcock:** Mr. Speaker, he has not sought an opinion. This side of the House would like that opinion in order to form their own decision about this slush fund, this election readiness slush fund.- (Interjection)- Do I have to teach you how to do it again?

**Some Honourable Members:** Oh, oh!

**Mr. Manness:** Mr. Speaker, I cannot believe the question. This is executive Government. We make those decisions. The Provincial Auditor replies to all of us, is a servant to all of us. The Provincial Auditor decides, basis the legislation, whether or not we have fallen into proper accounting and makes his report accordingly and either qualifies the statement or does not. That is

the way the system works, but we are responsible for presenting to the people of Manitoba the books and the figures in their best light. If the Provincial Auditor does not agree with them, he will report to the people of Manitoba accordingly. We are responsible, we take that responsibility, and we ask the Members opposite to support The Fiscal Stabilization Act by way of their vote.

### **Budget Gasoline Tax Increase**

**Mr. John Angus (St. Norbert):** My question is for the Minister of Finance (Mr. Manness). In the Budget Speech, the Minister indicated the cost of gasoline for the family cars would be increasing. He has also indicated that the money would be directed towards required highway work. The increase is to take place September 5 and is on top of the federal Tories' increase of April and the subsequent increase that is going to be implemented on January 1.

Mr. Speaker, he also indicated that this tax in Manitoba will raise approximately \$8 million this year and \$14 million next year. My question to the Minister is, why should Manitoba drivers pay extra cash out of their pockets to be able to improve the corporate efficiency, the profit, and the bottom line of the Repap corporation?

\* (1400)

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, that is a most foolish question in all respects, and if that adjective is not adequate, "silly" is.

Mr. Speaker, the Minister of Highways (Mr. Albert Driedger) will be presenting the Capital program. It is going to show basically the highways and roads projects under consideration. The Repap requirement, per the agreement with respect to roads, is just at this stage beginning to gear up and no component of it is going to be paid for by the increase in the gasoline tax announced in this Budget.

**Mr. Angus:** Mr. Speaker, the Minister suggests the money is not going to Repap. My question then to the same Minister, how do you explain that on March 23, 1989, you told us as part of the Repap announcement that the province would spend \$90 million in the next seven years upgrading these roads, and that the amount of money out of the drivers' pockets in Manitoba equals \$90 million over the next seven years? How can you avoid the fact that this is clearly a Repap gas tax?

**Mr. Manness:** Mr. Speaker, I provided one year additional budgetary information. The Member now seems to be asking me to provide the Budgets for the next five or six years. Let me say—well, I went one year further than the former Government and I am proud to have done so and, hopefully, we will be able to go two next.

Mr. Speaker, as I indicated, and the Member is selectively quoting, in committee I also indicated out of that \$90 million commitment that a significant portion

of that represented the existing road commitments in northern Manitoba, that part of our \$90 million commitment to Repap, by way of the agreement, upwards of over a third, upwards of 40 percent, was in the existing road network. That, in essence, will be covered, portions of it will be covered by general revenues and indeed some other smaller portion by the increased gasoline tax. But that is still part of the basic road network which we would have to upgrade and maintain whether there was a Repap agreement or not.

### **Repap Enterprises Inc. Road Upgrading Agreement**

**Mr. Speaker:** The Honourable Member for St. Norbert, with a final supplementary question.

**Mr. John Angus (St. Norbert):** Mr. Speaker, my question then is to the Minister of Highways and Transportation (Mr. Albert Driedger). If the \$8 million that the Finance Minister (Mr. Manness) is going to snatch from drivers' pockets with this Repap gas tax this year is directed to highways, why did it not show up in your budget? Why is not your budget up by \$8 million?

**Hon. Albert Driedger (Minister of Highways and Transportation):** Mr. Speaker, I am wondering if I am in the wrong place here because the lack of understanding of the budgetary process is amazing to me from the Member opposite because, if he would look under my Capital program, where my Capital construction program was \$95 million last, it is \$102 million this year. I have not got my book here, Mr. Speaker, but if the Members wants, if he cannot read it properly, I will get my book and show it to him.

### **Budget Rural Development**

**Mr. Bill Uruski (Interlake):** Mr. Speaker, the Conservative Government amalgamated some agencies and created the Department of Rural Development from the Department of Municipal Affairs, and I think it is reasonably a good move in terms of consolidation of delivery of services. The Premier, in his speeches, hailed this as his Government's new thrust for rural Manitoba and as the new focus of his Government.

But, Mr. Speaker, and I ask the First Minister (Mr. Filmon), in view of what rural Manitoba is going through in terms of downturn in the agricultural incomes, in terms of the much needed services of infrastructure and the like for rural communities and needed economic development, can he explain why he would cut the funding in the budget of the Rural Development Department by approximately \$100,000 in the rural economic development budget which serves the rural development corporations? Is this the way he would pave the way for increased funding for rural Manitoba and increased emphasis?

**Hon. Gary Filmon (Premier):** Mr. Speaker, if the Member is suggesting that all that the Government

does for rural Manitoba is involved with one small aspect of one department, then he obviously does not understand the needs of rural Manitoba. That is shocking from an individual who has represented a rural constituency, who has been the Minister of Municipal Affairs, who has been the Minister of Agriculture, and so on.

The fact of the matter is, among other things we have done for rural Manitoba, we increased the deduction on education tax on farm land from 25 percent to 35 percent of all education tax on farm land. It has just been indicated that there will be an additional \$7 million spent on highways in the Capital works this year over last year's Budget. That is \$7 million additional to serve the people, primarily of rural Manitoba, in their highway construction.

There is a new program in the Department of Industry, Trade and Technology that was referred to in the Budget about business development opportunities for rural Manitoba. I do not have the figure at my fingertips but that was primarily for entrepreneurs in the development of new business in rural Manitoba. I know that you would want me to tell much more about all of these things we have done for rural Manitoba but I respect your acknowledgment, Mr. Speaker, and I will wait for his next question.

**Mr. Speaker:** Order, please; order, please. I would like to remind Honourable Ministers that answers to questions should be as brief as possible. Time is very scarce. The Honourable Member for the Interlake.

**Mr. Uruski:** Mr. Speaker, it is unfortunate that the Premier of this province (Mr. Filmon) would treat our regional development corporations in the light that he has in his answers this afternoon.

### Rural Water Services Funding

**Mr. Bill Uruski (Interlake):** I ask his Minister of Rural Development (Mr. Penner) who now is responsible for regional development corporations and for the Manitoba Water Services Board how he can stand in this House and indicate there will be a 21 percent cut in the Capital budget for rural water services to the province, to the communities that this Premier says is the new thrust of his Government?

In light of them asking and putting in the budget again the \$30 million in the federal-provincial agreement, can he indicate in this House that there will be a federal-provincial agreement for sewer and water in this quarter of the new fiscal year? Since they struck out last year, can he give us the assurance that agreement will be in place?

**Hon. Jack Penner (Minister of Rural Development):** No, I cannot. I can, however, say to this House that we are still negotiating a new agreement with the federal Government, as we are negotiating all of the other ERDA agreements. We are confident at the end of the day we will be able to indicate to Manitobans we have been successful in encouraging the federal Government to

meet their commitments to Manitobans. We are quite convinced the federal Government will, in the final analysis, see to the positions that we have put forward.

**Mr. Speaker:** The Honourable Member for the Interlake, with a final supplementary question.

**Mr. Uruski:** Mr. Speaker, to the same Minister, he did not answer my first part. I will place it again.

Can he indicate why his budget was cut by 21 percent in terms of rural infrastructure for sewer and water for rural communities when his Premier (Mr. Filmon) indicated that his new department is the shining thrust of the Government of Manitoba? When rural communities have requests in place for some \$70 million for sewer and water, his budget is being cut.

**Mr. Penner:** Mr. Speaker, the budget does indicate a slight reduction in expenditures in the Water Services Board. However, there are a number of projects that are dependent on federal involvement that we have been, and the Honourable Member for the Interlake (Mr. Uruski) knows that we have been negotiating for quite some time and are dependent on federal funding to these areas. If and when those arrangements are made, the provincial Government will put in place its apportionate funding to make sure that these projects will proceed.

### Human Rights Education Compulsory Curriculum

**Hon. Leonard Derkach (Minister of Education and Training):** On June 1, I took a question as notice from the Leader of the Opposition Party (Mrs. Carstairs) with regard to the numbers of students who are studying human rights programs in the province and the types of programs that are being offered. I would like to respond to that question, if I may.

First of all, the materials that were developed by the Human Rights Foundation have not been completed to date and, therefore, students are not taking the formal human rights courses developed by the foundation. However, throughout the programs, right from Kindergarten to Grade 12, we have a variety of subject areas and perhaps topics that are being taught with regard to human rights education.

\* (14 10)

In social studies, all Grade 9 students and Grade 11 students take human rights topics or units. Grade 9 students study law, legal rights and the Charter under the topic of the legal process, and approximately 14,000 students do this. The same number of students, approximately 14,000 students, in the Grade 11 program study the rights and responsibilities and also study about the rights and responsibilities of people in society. The optional Grade 12 program on world issues includes an issue on human rights. Materials have been developed for this issue through the Manitoba publisher. Approximately 2,000 students are taking that program.

Overall, from Kindergarten to Grade 12, students are studying a variety of concepts and topics in terms of human rights in this province. Thank you.

## Social Assistance CRISP Payments

**Mr. Bob Rose (St. Vital):** My question is for the Minister of Family Services (Mrs. Oleson). The fastest growing poverty groups are the children of Canada and indeed Manitoba, according to the latest report we have from the Social Planning Council. When in Opposition, this Minister supported programs such as CRISP and indeed chastised the NDP for not doing more.

Mr. Speaker, last week the Minister announced changes to the Child Related Income Support Program for the year beginning July 1. This program will pay only \$360 per year to a family with an annual gross income of less than \$13,506.00. That is \$360 per child for the family. Has this Minister made a study as yet to determine if this is adequate to bring the family of Manitoba above the poverty line so that at least these children will not go to school on an empty stomach, such as is the case right now?

**Hon. Charlotte Oleson (Minister of Family Services):** Yes, I had sent out a press release announcing that the income levels were being changed on that program.

That program is for, as the Member stated, low income families. It was not an intention to increase the income of families. It is to help families who are raising children to have a bit extra to help them along the way. It does provide people with low income a bit of support in addition to Family Allowance.

## 55 Plus Program

**Mr. Speaker:** The Honourable Member for St. Vital (Mr. Rose), with a supplementary question.

**Mr. Bob Rose (St. Vital):** The more things change, the more things stay the same in this House.

Mr. Speaker, a supplementary to the same Minister, this Minister has budgeted for an increase of only \$58,000 or one-half of 1 percent on the 55 PLUS Program for this coming year. How would the Minister expect this to cover even the indexing costs in this province?

**Hon. Charlotte Oleson (Minister of Family Services):** I will take a look at that line in the budget. It would be better in the Estimates. It would probably be better discussed in the Estimates process where I could give the Member a full analysis of it. That increase would be done on projections for a number of applications for the coming year.

## Budget CRISP Allocations

**Mr. Speaker:** The Honourable Member for St. Vital (Mr. Rose), with a final supplementary question.

**Mr. Bob Rose (St. Vital):** We were stingy last year and stingy again this year. A final question to the same Minister, how does this Minister reconcile a budget cutback of \$200,000 in the CRISP program for these

most needy children of low income families, when her Finance Minister (Mr. Manness) has opened a savings account of \$200 million? Does she accept that sort of shoddy treatment on behalf of the poor children?

**Hon. Charlotte Oleson (Minister of Family Services):** Those figures are put in as projections of uptake of a program in a year, and if people qualify for the program during the year over and above that, then we adjust it to reflect that.

## Family Violence Program Policy

**Ms. Judy Wasylycia-Leis (St. Johns):** Mr. Speaker - (Interjection) - . . . .

**Mr. Speaker:** Order, please; order, please. The Honourable Member for St. Johns.

**Ms. Wasylycia-Leis:** My question is also for the Minister of Family Services (Mrs. Oleson).

All of us in this House, I am sure, were pleased with the announcement yesterday about crisis lines to better serve the victims of domestic assault. Having said that, there are obviously many other crises in the system and many other women in our society experiencing the kind of pain that we saw in last night's TV program entitled "To a Safer Place."

Given the number of women who are on waiting lists, who are being turned away from counselling services, given the number of batterers seeking counselling who are not getting it, given the number of children who are victims also by being either abused or witnesses of family violence, could the Minister tell us when she is going to announce this Government's long talked about and much needed policy on wife and child abuse?

**Hon. Charlotte Oleson (Minister of Family Services):** I hope to announce very soon—I had indicated before, the end of this month—our program in the Family Violence section of the Estimates.

**Mr. Speaker:** The time for oral questions has expired.

## NON-POLITICAL STATEMENTS

**Mr. Harry Harapiak (The Pas):** Mr. Speaker, can I have leave to make a non-political statement?

**Mr. Speaker:** Does the Honourable Member for The Pas have leave to make a non-political statement? (Agreed)

**Mr. Harapiak:** Since this is Canadian Environmental Week, I would like to take a few moments to point out some of the special events occurring this year to highlight the growing concern about the environment.

The theme this year being, "Our common future, it is in our hands," highlights the need for everyone to do their bit to cut down on waste and become involved in protecting the environment. Accordingly, there are a wide variety of events taking place this week from

clean-up challenges in many northern communities such as The Pas, ecological displays, open houses, recycling depots and National Environment Achievement awards.

There will also be special events at Riding Mountain National Park, at the Lower Fort Garry national historic park and at the Manitoba national historic site in Churchill. In Brandon, the Sierra Club and the Western Wilderness Club will be running a recycling depot. The depot will be located in Dinsdale Park and will be open between 4 p.m. and 8 p.m. on Thursday and Friday, and 10 a.m. to 4 p.m. on Saturday.

The Winnipeg Household Hazardous Waste Days are this Friday and Saturday. There will be a free depot at 139 Tuxedo Avenue in Winnipeg to collect and dispose of toxic household products.

Canadians are recognizing that action must be taken on the federal, provincial and the municipal level to take steps to turn around the deteriorating environment.

We as a society must work and must have as an objective to preserve intact a viable, flourishing biosphere containing the most extensive and varied national ecosystem possible. This is the most important and ultimate environmental objective for a number of reasons, one of which is the long-range viability of human life depends upon the survival and health of the natural system of which we are an ecological part.

I have had the opportunity to travel around the province in the last few months and I have been very encouraged over that time at the increased interest among Manitobans of all ages, but particularly among the youth of our province when it comes to saving our environment. This greater awareness of the need to avoid overpackaged goods, to stop wasteful practice is very good news. I commend such efforts and encourage Members of the Chamber to attend some of the events which are being held during this coming week.

**An Honourable Member:** Hear, hear!

**Mrs. Sharon Carstairs (Leader of the Opposition):** Mr. Speaker, do I have leave to make a non-political statement?

**Mr. Speaker:** Does the Honourable Leader of the Opposition (Mrs. Carstairs) have leave to make a non-political statement? (Agreed)

**Mrs. Carstairs:** As some of the Members may have noticed, the Member from Fort Rouge (Mr. Carr) is today sitting in a wheelchair at the back of the Chamber. He is doing this because we are, as a nation, spending this week trying to educate ourselves in an awareness of the handicapped who live among us.

You, Mr. Speaker, took the lead last week by initiating in this building a Speaker's Forum, one which was widely attended and from which good ideas came for future changes with regard to the handicapped and the disabled in our society.

What the Member for Fort Rouge is doing is spending the day in a wheelchair. We know that the Member for

Fort Rouge is not handicapped but he was asked by the handicapped community to take on this responsibility in order to create a greater awareness within this Chamber and elsewhere of the needs of the physically disabled.

Today, specifically, is employment day. When we look around this Chamber, we realize there would have to be adjustments made should someone be elected who unfortunately had to sit in a wheelchair. We have not made those changes yet. Hopefully, they will come prior to the election to this Chamber of someone who could not access our Chamber through the use of his or her wheelchair.

\* (1420)

I think we must all, once again, rethink first how lucky those of us are who are not handicapped and, secondly, think positively all of us in a non-partisan, non-political way about how each and every one of us can use our powers as legislators to make life much easier for those who suffer from handicaps that we do not share.

**Hon. Albert Driedger (Minister of Government Services):** I wonder if I could have leave of the House to make a non-political statement?

**Mr. Speaker:** Does the Honourable Minister have leave to make a non-political statement? (Agreed)

**Mr. Driedger:** Mr. Speaker, being handicapped is a very serious situation and unless one has been involved with some of these people to see the agony that they have gone through, I think one sometimes does not have the understanding of it.

I think that efforts have been made by Governments at all levels to try and make buildings accessible to the handicapped people in whatever way possible. I think there has never been more attention being drawn to that fact than we have at the present time.

I have a list of projects that have been undertaken over a period of time by previous administrations and this administration, and what is being looked forward to in the future in terms of making buildings more accessible for the handicapped people. In fact, it was just last week during the programs that took place and the events that took place under your sponsorship, that we made accessible the star in the basement of this building. I think that people are very conscientious, and getting more conscientious of the fact that we have to make these kind of provisions. Certainly, I think, regardless of what level of Government or what Government, this is a very serious concern and certainly, I think, we have to encourage that and continue to do that for the future.

**An Honourable Member:** Hear, hear!

**Mr. Speaker:** Does the Honourable Member for The Pas (Mr. Harapiak) have leave to make a non-political statement? (Agreed)

**Mr. Harapiak:** Mr. Speaker, I would like to associate the New Democratic Party with the comments made



by the two previous speakers and pay special tribute to the handicapped community.

I want to thank you as well, Mr. Speaker, for sponsoring the Speaker's Forum which was held last week, which brought together consumers from all different walks of life, which brought together the paraplegic, the visually handicapped, the hearing impaired, people from all different walks of life which educated us in some of the difficulties they face in their everyday life.

I think it is extremely important that we continue to make improvements in accessibility to all the buildings that we, as people with all our faculties, take for granted. I think it is extremely important that Governments work towards opening up all the Government buildings where people receive services. But not only that, we must continue to make improvements in the housing projects that we have so that handicapped people, people who do not have all their faculties about them, will be able to take advantage of the possibilities that are out there in our society. So we want to pay special tribute to the handicapped during this week. Thank you, Mr. Speaker.

## ORDERS OF THE DAY BUDGET DEBATE

**Mr. Speaker:** On the proposed motion of the Honourable Minister of Finance (Mr. Manness) that this Government approve, in general, the budgetary policy of the Government, the Honourable Member for Concordia (Mr. Doer).

**Mr. Gary Doer (Leader of the Second Opposition):** -(Interjection)- We live in interesting times, Mr. Speaker. I get a kick out of somebody who was a Deputy Speaker for a year, by a Conservative Government, making any comment at all. If anybody would accept—nobody in the New Democratic would accept that position, I can assure you.

**Mr. Speaker:** Order, please. The Honourable Member for Seven Oaks (Mr. Minenko), on a point of order.

**Mr. Mark Minenko (Seven Oaks):** On a point of order, I would ask the Member for Concordia (Mr. Doer) to withdraw his comment, which was obviously against the rules as set out in Beauschiesne with respect to matters of motive. I am certainly suggesting, by the Honourable Member's comments, he is implying there are bad motives for anything that may or may not be said or going on in the House, and I would ask him to withdraw those comments.

**Mr. Speaker:** Order, please. The Honourable Member does not have a point of order; there is no point of order.

**Mr. Doer:** While I am pleased to get up and speak on the Budget Speech, I want to say very clearly that I was not questioning the Member's motives, merely his intelligence in terms of running in the North End of Winnipeg as a Tory appointment.

Mr. Speaker, we have said always from the outset that we have a responsibility to democracy to make a

minority Government work until such time as the Party in power goes so far away from the consensus of public opinion that it is time to defeat them and call an election. That is the public commitment we made. We did not take one position in 1988 on the Speech from the Throne, and another position on the Budget, and another position on the Speech from the Throne a year later and not be able to make up our mind on the Budget. We said there is a certain point in the Manitoba public consensus that we will support and, at a certain point where it goes across the line of that consensus, we will vote against it.

(Mr. Deputy Speaker, William Chornopyski, in the Chair.)

Mr. Deputy Speaker, that is our responsibility to the people of Manitoba and sometimes we get a little caught up in our own bath water perhaps in this House and we forget who elects us, who we are accountable to and when that accountability should be practised in terms of a future mandate for the Government.

We have said within that context of a minority Government that we are prepared and will vote against the Government if it moves in a radical way, or even a way that was reminiscent of the Mulroney Government, or even the Lyon Government previously in proposals in terms of key social and economic areas that we cannot support. When we do that, Mr. Deputy Speaker, we will be able to justify that. At some point in the future, when the Government goes too far, we feel we will be able to justify that to the people of Manitoba, because we have consistently tried to make minority Government work.

We have not changed our mind from a Budget Speech and a Throne Speech in one year to the next. We have been right down the line, and when the key day comes, Mr. Deputy Speaker—there will be a day of reckoning, believe me—we feel very confident that we will not be not be Chicken Little going to the public, "The sky is falling," every couple of weeks.

We will be very, very consistent with the people of Manitoba in making minority Government work and saying to the people of Manitoba, we feel it is not working any longer and therefore we believe you, the people, should make the final decision. Every decision we make is based on public accountability, public accountability and a democracy that has determined that we are in a minority Government, as awkward as that situation is.

All of us love to be able to criticize the Government of the Day to the absolute extent of our ability and then be able to vote against them with knowing that we do not have to precipitate a \$9 million or \$10 million election when the people do not want it. Obviously, that is the best position to be in, in a democracy, with a majority Government.

Mr. Deputy Speaker, we have a minority Government and we have the torch of responsibility that has been passed to us to justify to the public why we are not having an election, and ultimately to justify to the people of Manitoba when we will. We have a situation in this province where we have—and there is no question

about it—a white-flag, do-nothing Government that is surrendering on all the fronts in terms of this province, and a say-anything Opposition.

In the last couple of days, if it was not so serious, it would be almost humorous to watch the Liberals talk about how terrible the Speech from the Throne is and how devoid it is of an economic policy, and then a week later not know what to do about a fundamental document articulating the economic policy, Mr. Deputy Speaker.

To come in here with kind of the shoddy research that they did yesterday and today is really quite frightening. If any other Member came with that kind of research, they would be barbecued in the public media, and I suggest that the so-called “honeymoon with the Liberals” is evaporating in terms of their transparency of research and philosophy and policy and direction.

\* (1430)

We have stated before that the Budget, and we stated so publicly, must include a couple of key criteria for our Party to support it. The first criterion we stated was fair breaks for families, working people and their families particularly, so that the burden of years and years of corporate loopholes that has resulted in a tax system through Liberal and Conservative Governments where people are paying more and more of the taxes, so that burden could be somewhat, in some small way, alleviated on families, particularly those with children. We said so publicly, we said so a year ago.

We also stated, Mr. Deputy Speaker, the big corporations, who would be the greatest benefactor from the Tory and Liberal proposal to wind down the health and post-secondary education tax over three years, we believe by changing that rate and having the \$200 million reduction in tax revenue was an absolutely insane way to go. Our health, our education, our social services could not afford those tax breaks. We argued with the Tories and Liberals then that the best benefactors would be the largest 10 corporations in Manitoba, and that would be an immoral tax to start removing, particularly on the rate.

It is not too bad to raise the threshold. We did it twice ourselves. The Government did it last year, and it is again in this Budget. That way, you are helping small business, but to change the rate, the 2.25 percent, would dramatically give the best benefit and the biggest bang to Inco, the CPR, the CNR, Burns Foods, Great-West Life, and Investors Syndicate and other large corporations.

We think these are great corporations to be in this province, but we also think, and we know, that they can support those taxes. Again, like everything else we did, we are a little bit ahead of our time because in the Province of Ontario, as I understand it, after we were told by many Liberal Members in the last election that this was such a horrible tax, you know, such a horrible tax, in the Province of Ontario, the Peterson Government has moved towards this tax for corporations, and probably the New Democrats in Ontario are opposed to it but I do not want to be

consistent on that point. Certainly, we felt it was a very progressive tax, given all the corporate loopholes on page 1 of the income tax forms, loopholes that were created over 20 years through successive federal Liberal and Tory Parties.

The third criterion and one of the issues we raised last year is the fact that the mining contributions could have even been greater if they had looked at taxes that we had called for in the '88 Budget that was defeated. We raised that tax issue a number of times, and I note that the Conservatives have reintroduced some measure in the tax system again on top of the mining companies. We believe that tax should be used for single-industry towns, and we will continue to argue that because we believe the resources in the northern communities particularly should be used for a long-term rainy-day fund, Mr. Deputy Speaker, particularly for single-industry towns.

So those were the public priorities we stated before the Budget with the people of Manitoba, very public priorities, and let us look at the list. We have a tax break for families. It is very similar to the one we had proposed April 4, 1988, a proposal that was at that time ridiculed by the other Parties, but I note that in time they were somewhat adopted. Yes, we would like to see the timing of those tax proposals on July 1, obviously. I am sure the Government would want them on July 1 too. It is obviously in their best interest if they have a so-called “earlier window,” but I am glad that the waiver was gained—and we have some experience in preparing Budgets. I am glad the waiver was waived for making this tax effective January 1 because it does give ultimately, instead of making it effective July 1, a bigger benefit to families than perhaps just making it effective July 1.

The source deductions we would still—if there is any way of getting any relief, if there is any document the Government wants us to sign to indicate our support for getting the tax relief for families, if that would help in any way, we believe that the bigger issue is the break to families, not the intercedent political partisan politics of this thing, and we would be prepared to do that.

The mining tax, Mr. Deputy Speaker, has been somewhat adjusted but only for this fiscal year and we await for future fiscal years.

In terms of the financial institution provision, we would be absolutely opposed to any break for the banks under the capital investment tax at a time when banks again are having record profits. We have not seen the evidence of the changes in the federal income tax provisions have given banks any reason to pay more income tax federally or, in that sense, provincially. We understand the financial institutions have argued with the Province of Manitoba, and we have heard the arguments as well that, because now we are paying this income tax, the capital tax that the NDP put on is unfair and punitive.

Well, if I could see how much tax is coming back in income tax to the Province of Manitoba from banks, Mr. Deputy Speaker, we have a very open mind because jobs are important in our province. Financial service institutions, if they are going to expand their work force in a demonstrative way, we would want to encourage that.

We also believe in the principle of tax fairness, and tax fairness to us is not giving a tax break to companies that are making record profits in our country. The last relief they received was with Michael Wilson, supported by the Liberal Finance Critic, dropping the bank profit margin tax. The day that Michael Wilson dropped that tax, not only did the Liberal Finance Critic applaud, but the bank stocks had record days for four out of the six banks on the Toronto Stock Exchange, if one is following not the rhetoric but the financial markets in terms of who are the winners and who are the losers with the Wilson tax grab of 1989.

The Fiscal Stabilization Fund is a very interesting issue. There is no question that the accounting of how much money is going in there, in macro terms, is accurate in the Budget. There is no question, one could argue, there was indeed a surplus last year as has been reported by the Minister of Finance (Mr. Manness). Ironically, given that was the "last of the NDP Budgets" really, it was just a xeroxed New Democratic Party Budget, it is rather ironic that we did have a surplus in that particular year. That has not necessarily been perceived as our public persona as a Government in terms of a surplus situation but the numbers cannot lie. We indeed produced in our last Budget, which was xeroxed last August by the Conservatives, a surplus situation.

Mr. Deputy Speaker, I believe that part of what is in that fund is morally incorrect and morally wrong. I believe and will continue to fight for the money that the Government has underspent in Health and Agriculture and other needed and vital areas. I believe that it is absolutely immoral to say no to Klinik, to say no to the Municipal Hospitals, to say no to Concordia, to say no to Dauphin, to say no to Northern Health Initiatives, to say no to many Home Care programs and we are going to watch that with the lapse factor. It is much higher than what the Premier quoted this afternoon.

To say no to those groups and say it is part of the Budget—it is not in the Budget, we do not have the money—and then we find out there is \$21 million in that Budget, \$21 million that I believe much of that could have been used for necessary capital expenditure in the health care field, capital expenditure that we had approved and has been put in a state of suspended chaos under the existing Conservative Government.

I am going to warn the Government because I believe that over time this Government will receive pressure from group after group in our Manitoba economy and society for the Government to start acting on their problems in the economy and health care and stop talking about putting that money in a sock, particularly money that has been put in a sock out of their health care system.

In other words, what we agreed to last year in the health care Estimates is not what we got. What we saw is not what we got. What the people of Manitoba were told was going into Health is not what they received in terms of the expenditures. I suggest that the flimflammy of that kind of underspending going in this Stabilization Fund is going to cause tremendous public pressure on this Government, I suggest to you,

Mr. Deputy Speaker, will be aided and abetted and advocated on behalf of the various groups by the New Democratic Party in a responsible way.

\* (1440)

We will stand with nurses for decent funding for health care facilities. We will stand with Klinik for adequate funding for their new capital program, a program that we had approved and approved the architectural drawings and the land purchase. We will advocate for Concordia Hospital that we approved. We will advocate for the Municipal Hospitals renovation plan. We will work with those groups to put pressure on this Government to take some money out of that rainy day fund because, for many Manitobans, it is raining now. We all know that when you have a rainy day fund and the roof is beginning to leak, you take some money and spend it on fixing up the roof. The roof is leaking in terms of our health care system. The roof is starting to leak in terms of our economic prospects.

Unlike the Liberals who want to lapse that money into some prior-year adjustment number and that is their position, we would like that money not to be used as the Tories want it to be used, for some so-called mythical future budget line. They want to use it for a past budget line. We want it to be used for the present people of Manitoba, for the present priorities that we believe are underfunded in a great number of ways in this Budget.

The priorities of this Government are very questionable in some of the major areas that I thought, quite frankly, they would do better. Rural development and agriculture, the Minister for toll highways has got his way. The most accurate way of taxing people for toll highways is gasoline tax. To tie gasoline tax to road construction is the last thing I thought a Tory Government would do. The people who will pay the most for those roads and those facilities—and you have not heard the last of this. We will let the people back home take care of you on this one. The people who will pay the most for the Minister of Highways' (Mr. Albert Driedger) toll highways are going to be people in rural Manitoba and people in northern Manitoba.

We plan on raising appropriate accountability in northern Manitoba, but I know there are a lot of angry people in rural Manitoba who said we have been betrayed by our Tory Government. They got the toll highways another way. Why are they doing it to us? We have been voting for them for years. Why do they put this 1 cent a litre on our highways? I would like to have been a fly on the wall when the Government discussed that proposal.

I suggest some of these Ministers are spending too much time in the big offices around the potted plants and not enough time back in their constituencies dealing with the real issues of rural Manitoba. I mentioned this to the Minister of Health (Mr. Orchard), who I have noticed got wimpier and wimpier with the more plants they put in his office. I remember he used to be one of the feisty Members but now he is Mister Thin-Skin, Mr. Deputy Speaker. You just ask him a question and he is just ready to have a fight with somebody, in a rhetorical way.

It is serious in rural Manitoba, and again we know the Government has underspent. Do the people in rural Manitoba know that you underspent your budgets after we approved it in this House, that you had money for farming families, you had money for farming communities, you had money for support for farmers? Did they know you put that money in the Tory sock? You have not told them that yet, have you?

**An Honourable Member:** They are watching you.

**Mr. Doer:** Yes, they are watching us because we know you took \$18 million out of the Budget you said you were going to give to them and you stuck it in the sock. We are going to be raising that because we have lots of ways in which farm families would love to have that money so that farm families would not continue to go bankrupt, as they are under the twin pressure of Conservative Governments in Ottawa and the Conservative Government in Manitoba.

Mr. Deputy Speaker, we believe the money should be there for rising interest rates, for example. What is wrong with dealing with rising interest rates? An increase under the Conservative federal Government and rising interest rates on a \$300,000 farm is a radical amount of money, close to \$14,000 a year in terms of interest rate payments. These interest rates, if they keep going up, are going to break a number of backs of Manitoba farmers and their families.

Why should we not put that money into our agricultural communities in terms of some relief for this draconian federal Tory interest rate policy? I am very, very worried they are all going the way of the Liberal Party, the former Liberal Party, when we had these 20 percent or 21 percent interest rates that were based on Bay Street, not on Main Street, Manitoba.

What is this Government doing for rural farms in rural communities? If this is an action Government, and we have seen what has happened to Portage la Prairie, why do we not have some decisive action in this Budget to say, this is what we are going to do, this is when we are going to do it, this is what it is going to mean for this community? Why do we not have some decisive action for Brandon? Why do we not have some decisive action for Dauphin? Why do we not have some decisive action for northern Manitoba?

**An Honourable Member:** For The Pas.

**Mr. Doer:** Northern Manitoba. The allegiance to the Conservative Party in terms of some of these very major issues of principle, in terms of rural issues, is slowly slipping away. They are being sadly tested outside of the perimeter. A lot of people believe that all Governments have perimeter vision but this Government with all its people from outside the perimeter, is even worse in terms of the perimeter vision in this province. That is what the people are saying and that is what Len Evans (Brandon East) knows.

Other political Parties have made the mistake before. Witness the federal Liberal Party in Quebec that turned their back on their base. What happened? Be careful, never take any base for credit, believe me.

I also want to ask the Government how they can have any commitments to sewer and water support with a 21 percent cut. Why have they not budgeted for drought relief? In terms of sewer and water, it is not just a rural issue, it is also an issue dealing with the whole situation of developing alternative employment opportunities in many of these communities.

Why have they not come up with anything for the downtown development project for Selkirk? Where is the downtown development project for Selkirk? I ask the Minister to give me a wink if he is going ahead with it. No wink, Mr. Deputy Speaker.

The people of Selkirk are going to get nothing again on this proposal. I did not see it in the Budget. Go ahead, give me an announcement. He can hardly keep his eyes open.- (Interjection)- Well, we agree on this proposal. Where is it?

You are turning your backs on the people of Selkirk, Mr. Deputy Speaker. We will continue to raise that issue. We would have thought, again, what an easy thing to announce in a Budget with all that money you had extra. What an easy thing to go ahead with. Why can this Minister not get this through? Is this his punishment for the Rafferty-Alameda Dam, the kind of bag he carried for the Government in that mess, or is it just that he does not want to propose it to his Cabinet colleagues?

Mr. Deputy Speaker, we also believe that the Tories are definitely underfunding our health care system. The health care system is in a state of chaos. There is absolutely no idea of where the money is going in the health care system for nurses or alternative health care.

We believe that the expenditure in health care is only about a real increase of 2 percent. We believe there are real problems in the health care system and these problems are going to continue to rain down on this Government. It is going to be one-half of a negative legacy that they will have to carry into the next democratic process in this province.

The Department of Health, and I have said it at the end of the Session and I will say it again, is in a state of administrative chaos. People do not know what the decisions are going to be for the Government. They do not know what the priorities are. They do not know when the decisions are going to be made. They do not know what the decisions of the Health Advisory Task Force are. They do not know what the decisions are going to be for some needed support for nursing personnel across the province. We do not know where they are going to go in terms of preventative health. We do not know where they are going in terms of health advisory generally. We believe that there are serious problems in the health care system.

The Government has a double standard in the health care system. Why do we have a home care system in the North End of Winnipeg—and I have agreed with the Liberal Health Critic on some issues but I will not agree with his position on a user fee for home cares. I think he will again have to wear that in the next election.

Mr. Deputy Speaker, why do we have a system where we have the offloading of home care in the North End

to a private company and we do not have a similar system in River Heights, in Tuxedo, in Charleswood, in Fort Richmond? Why do we have one standard for the North End of Winnipeg? Even the Minister said that the people there were getting preferential treatment in River Heights versus the North End.

Mr. Deputy Speaker, I think this situation is intolerable. When the Minister of Finance (Mr. Manness) finally tables the fourth quarter lapse factor in the Department of Health, we are going to see major savings on the Home Care budget, supported unfortunately by the Health care Critic of the Liberal Party, and we will see the millions of dollars in the Home Care Program that we have said is underspent. We will see that money and we will go to the North End of Winnipeg with that money that they should have had, that the Liberals and Tories took away from the people of the North End, the aged population of the North End of Winnipeg.

**Mr. Gulzar Cheema (Kildonan):** Mr. Deputy Speaker, on a point of order.

**Mr. Deputy Speaker:** The Honourable Member for Kildonan, on a point of order.

**Mr. Doer:** He does not have one, Mr. Deputy Speaker.

**Mr. Cheema:** Mr. Deputy Speaker, the Member for Concordia (Mr. Doer) is misleading the public. We never said that we are going to have a user fee for the North End. He is misleading, he has misled twice. He should withdraw those comments.

\* (1450)

**Mr. Doer:** On the same point of order, Mr. Deputy Speaker, I can understand the sensitivity of Liberal Members of the North End. I know that many of them are very embarrassed when they sided with the Minister of Health (Mr. Orchard) in terms of user fees for our seniors and aged population in the North End, and one standard for River Heights and another standard for the North End. They should be ashamed of themselves.

**Mr. Deputy Speaker:** Order, please; order, please.

**An Honourable Member:** You should be a Minister of disinformation.

**Mr. Deputy Speaker:** Order, please; order, please. A dispute of the facts is not a point of order. The Honourable Member for Concordia (Mr. Doer) has the floor.

**Mr. Doer:** Let me say I usually agree with the Liberal Health Critic. I do not know who dragged him into this issue, maybe all the other Members, Mr. Deputy Speaker, because I think his instincts are a bit better than that. I guess when you have the Leader of the Liberal Party (Mrs. Carstairs) who promises to charge for meals and other non-essential essentials, I guess when you have a Leader who promises to have one health care system for Wellington Crescent and another health care system for Selkirk Avenue, we know whose side we stand on. We know whose side we are on.

**Ms. Judy Wasylcyia-Leis (St. Johns):** They have a full-page ad.

**Mr. Doer:** Yes, they have a full-page ad, but did not deny the user fee.

**Some Honourable Members:** Oh, oh!

**Mr. Deputy Speaker:** Order, please; order.

The Honourable Member for Concordia (Mr. Doer) has the floor.

**Mr. Doer:** Thank you, Mr. Deputy Speaker, could you ask the wishy-washy Liberals to please keep quiet? I cannot get my speech across.

I know they are in a bit of a pickle because they went and said, the sky is falling, the sky is falling, on the Speech from the Throne. Now they do not know whether—if they want to quote Newfoundland, Mr. Deputy Speaker, there is an old saying in Newfoundland, fish or cut bait. Well, they do not know whether to fish or cut bait. Lord, the thundering Liberals, Mr. Deputy Speaker, they do not know whether to fish or cut bait, and there is the biggest fish or cut baiter over there.

**Some Honourable Members:** Oh, oh!

**Mr. Deputy Speaker:** Order, please; order, please.

**Mr. Doer:** Mr. Deputy Speaker, the Member for Springfield (Mr. Roch) says we will see who will be here. When the Liberal Leader does not give you a nomination, it is very hard to get back to this House.

**Mr. Deputy Speaker:** The Member for Springfield (Mr. Roch), on a point of order.

**Mr. Gilles Roch (Springfield):** The Member for Concordia (Mr. Doer) is the very Member who could not get a PC nomination in River Heights from the Member for Tuxedo (Mr. Filmon). Remember Gary and Janice, and Gary and Janice?

**Mr. Deputy Speaker:** The Member for Springfield (Mr. Roch) does not have a point of order.

The Honourable Member for Concordia has the floor.

**Mr. Doer:** A fine person, Mr. Deputy Speaker. On to the serious matters of the Budget, we will not deal with the wishy-washy Liberals any more, so we will enjoy the nomination battle in Springfield.

The health care system, as I have said, is in a very serious state. There is only one political Party that fought for Medicare and there is only one political Party that will fight to keep Medicare in our country. We did not have any commitment from the Liberals in terms of the universal health care system because they cut back and they started the cutbacks on health care funding in the early '80s under the Trudeau Government, the arrogant Trudeau Government, which I believe was the beginning of the death of Medicare. We have gone from a 50-50 funding arrangement with our national health

care program that Tommy Douglas and other New Democrats fought for, for years, voted against by the Liberals and Conservatives in Saskatchewan. In this province, look at the Liberal record in this province.

That is one nice thing about Hansard. That is why it is giving the Liberals so many problems. You cannot change your mind from one day to the next. It really does force you over the long run to have a few principles, Mr. Deputy Speaker.

I believe that one of the greatest fights in our country will be for the preservation of a national health care system in our country and in Manitoba. I was greatly disappointed with the white-flag attitude of our provincial Government in terms of the massive cutbacks in Medicare and the EPF funding from the federal Government, and the muted silence from the Liberal Parties in terms of massive cutbacks over time with our national health care system. I believe that over time people will realize that the national health care system that we established is in great jeopardy, and I believe it will remain a huge challenge for us to get the people of Canada to realize their health care system is going to be funded under 30 percent by the end of the Wilson Budget from the federal Government. That will inevitably lead to a different health care system between the poor and rich provinces, which inevitably will lead to the end of our national Medicare system.

So I again just want to re-emphasize our Party's position as the Party that fought for Medicare. We will continue to lead the fight for Medicare in this country, in this Budget and in any other document we are dealing with. One of the greatest criticisms we have with this Budget and this Government is its attitude towards the employment situation in this province.

We believe the Government should have a long-term economic strategy. A long-term economic strategy means the Government and the business community and the workers' community should be joining together in a joint strategy to develop ideas to take Manitoba into the '90s. We should not just allow the corporate executives to sit around in Toronto and Montreal and say, oh, yes, let us close a plant down in Manitoba, it is a pretty easy Government. They will not raise a fuss. They will let us close down a plant, they will let us close down the operation. It really will not be that much pressure in this Province of Manitoba. It is a pretty docile bunch over there and they will not say very much about this.

We believed in developing industries of the future in the health care technology industry, and some other industries like that were industries we established a couple of years ago. We came up with a number of ideas that would be niches for Manitoba moving into the late '80s and early '90s. That is why we passed on to this Government a very, very good unemployment situation in this province. We had six or seven years of the lowest or second-lowest unemployment rate in Canada, and six or seven years of the lowest unemployment rate particularly for young people in our province. (Interjection)- The Member opposite talks about the deficit but he knows our deficit was lower than Saskatchewan, lower than Alberta, lower than British Columbia on a per capita basis for many of

those years, in fact most of those years, because we were in the middle of a recession and the Minister of Finance (Mr. Manness) knows that.

We did ratchet down the deficit radically in our last couple of years of office as the economy began to improve, a process that this Government is continuing on with on their produced figures of the deficit, as opposed to the Fiscal Stabilization Fund which would show the deficit went way down last year and now it is starting to go up again, but they do not want that peak and valley in their economy.

We would like to see a major economic strategy, the fact that Job Training for Tomorrow has been cut out by \$2 million, the fact that the Venture Capital Program has been introduced but there is absolutely no movement on that program. Winnipeg has an unemployment rate of one-half percent off of St. John's, Newfoundland. We can trade statistics in this House all day long. We can throw numbers and you can throw numbers back, and I am sure we will continue to do that. When people walk out of this building, they will see one or two building cranes as opposed to the development we had. When people walk out of this building, they are going to see a lot more for sale signs than they saw years ago. When people go out of this building and sit around their community barbecues this summer, they are going to know that the price and the value of their house went down over the last year as opposed to going up under a New Democratic Government.

So, yes, politicians can play a number of debates in this Chamber and there are a very serious number of debates. What about the real tales and the real stories of people losing value on their housing, people not having the same kind of job opportunities and the fact that Winnipeg is suffering in a tremendous way in the economic situation?

\* (1500)

We believe that part of this so-called "rainy day" fund should be used for a job creation strategy in partnership with the private sector with employees and the Government sector. We believe you should be using a co-operative approach to developing employment opportunities with the private sector and other public sectors to deal with the rising economic morass in this province and the deteriorating economic situation.

We will be calling on a daily basis for this Government to come up with a legitimate economic strategy that works and has people working. If this Minister thinks he is going to put this money in a sock and leave it there for next year and let the economy go down the tube, we believe that Manitobans will be joining with the New Democratic Party to put money into the economy and to put money into families and working people to get this economy going, unlike the Conservative philosophy of do nothing in terms of this economy.

We will be asking that this Budget fund, which we believe in part has been fraudulently established—and I said that, not all of it, but the part that you underspend for vital human services—we believe it is our

responsibility to get that money back into those vital human services. We believe our health care funding should be increased in the areas that I have identified earlier in the speech. We believe there should be an economic strategy with that fund.

We believe there should be more child care spaces to take other pressure off families in Manitoba, both in the city and in rural communities, northern communities and aboriginal communities. We believe a number of the educational priorities should be met with this money. Why not take some of this money and invest it in the future of our youth through education programs? Why not put some of that money into the universities and in terms of investment on people rather than putting it in the Tory sock? We believe there should be greater funds for our seniors than a 3.5 percent increase in that Seniors budget with an aging population.

We believe that many of the water services and water resources projects should be funded which will create economic opportunities—just look at Dauphin or Brandon, a greater water resource in that community—where sewer and water will create greater economic opportunity which will stop the out-migration from those communities into the City of Winnipeg.

We believe there should be a comprehensive agricultural strategy to deal with the high interest rates, the potential for a drought and the massive danger to the family farm in this province.

We believe there should be a strategy on housing that is not a strategy to just deal with the Borgers and the Shanskis of this world on the upscale housing. We believe that the comments that have been made by Doug Martindale and others about putting more money into the poor and more money into social housing and more money into affordable housing should be the way this Government is going in terms of housing projects. That is what we did as a New Democratic Government. We believe there should be a northern economic employment strategy.

In conclusion, we will not vote against a tax decrease for families, we will vote for a tax decrease for families. We believe that it is important to be decisive. If you say one thing before a Budget about what it will take to get support, you should say the same thing after the Budget is produced. It is only honest that if you say you want tax breaks for families and you get those tax breaks for families, you say honestly you can support it. You do not find some little reason to escape your intellectual responsibility.

In conclusion, we will fight hard to get this economy going. We will fight hard to get money out of that Stabilization Fund into the economy now. We will be in front of this Legislative Building. We will be working with nurses, we will be working with health care facilities, we will be working with northern communities and rural communities to get money out of that fund for Manitobans now, but we will vote for the tax decrease and continue to speak strongly against the Tory sock fund which we believe should be used for some of the Manitobans who are facing rainy days today. Thank you very much.

**Hon. Harold Neufeld (Minister of Energy and Mines):** Before I go on to say a few words of praise and of support for the Budget, for what I believe to be one of the best Budgets that I have ever seen, that was presented by the Minister of Finance (Mr. Manness) a few days ago—

**An Honourable Member:** And you have seen a lot of them.

**Mr. Neufeld:** —and I have seen a lot of them, yes. Mr. Deputy Speaker (Mr. Chornopyski), I would like to congratulate you on your election to the position of Deputy Speaker. I know, Mr. Deputy Speaker, that the good judgment you have shown in the performance of your duties in the past year will continue as you exercise your duties as Deputy Speaker.

While I am in a congratulatory mood, Mr. Deputy Speaker, I would like to congratulate the Member for Kirkfield Park (Mrs. Hammond) and the Member for Lakeside (Mr. Enns) in their election to Cabinet positions.

The Budget presented by the Minister of Finance (Mr. Manness) a few days ago is the first one in recent history that has seen a tax decrease. It is a Budget that has shown the smallest deficit in recent history. It is a Budget that shows cautious restraint but not at the expense of compassion. It shows restraint in keeping the overall increase and expenditures to acceptable levels. It shows compassion in the human resource areas of the Budget, as in Education, as in Health, as in Family Services. It increases the expenditures beyond the level of inflation. That, I believe, speaks well for the Minister of Finance (Mr. Manness) in that it gives us a Budget that shows caution, it shows compassion, it shows caring and it is conservative.

Mr. Deputy Speaker, let me say a few things about the Fiscal Stabilization Fund. I can accept it being called a reserve as it has been by the Leader of the Opposition (Mrs. Carstairs). I can accept that it be called surplus as it has been called by some people. I cannot accept that it is a slush fund. A slush fund is a fund you can dip into at will and spend as you wish. The fund that has been established by the Minister of Finance (Mr. Manness), or we hope will be established by this Legislature, is a fund that will be accountable. It is open and it cannot be dipped into at will by the Government of the Day. It cannot be called a slush fund.

We can go back in time as long as you like. In biblical times, we are told to fill the warehouses in the good years and use those monies in the years when times are not so good. That is exactly what the Minister has done. If we were to use the monies as has been suggested by Opposition benches to fund projects that were not included in last year's Budget, we would use up all the monies and we would not have anything left for the future.

Our own household budgets have to be looked at in the same light. We cannot spend the monies we make each month. We have to put some aside for insurance, some aside for taxes, some aside for vacation. We have to budget. We have to be cautious and we have to consider the needs of tomorrow and

not only the needs of today. If we use up the monies, the \$200 million, if you like, in last year we have to borrow monies in order to meet the commitments and programs of next year's Budget. That costs more interest and we have already been told the interest costs are excessive. If I had my druthers, I would like to see the interest costs at no more than 10 percent of the provincial Budget. There is one province in Canada, I believe, is at 4 percent. Think of what we could do with the monies, the difference between 10 percent and 18 percent as our provincial debt costs us today.

\* (1510)

We have indeed already used up \$50 million of that Stabilization Fund. The Minister of Finance (Mr. Manness) has told us that \$50 million will be used as a revenue item for the year 1989-90 to fund projects and programs that might not otherwise be affordable, that might for certain otherwise cost more monies because of the interest cost that would be attached to the financing of those programs.

Mr. Deputy Speaker, I would also like to say a few words about Budget planning. A Budget is nothing less than a fiscal plan for the future. Indeed, it should be for more than one year. As it has become now, the Minister of Finance (Mr. Manness) has made it for two years in the hope that in the future it will be for a longer period of time.

We must plan our own fiscal future as we must plan that of our provincial Budget. In the real world, fiscal planning is a way of life. In the real world, fiscal planning does not mean if you have a windfall of profits you spend it all in that year. That is set aside in order to fund and finance projects and programs in future years. That is planning.

A fiscal plan is nothing more or less than planning a road map for a vacation. If you do not follow the route, you are going to get lost. If we follow the route of fiscal expenditures, if we follow those expenditures, we have estimated we will come out at the end of the year with a balanced Budget, provided the revenue sources are there.

Just because we have a windfall of revenues does not mean that we should increase our expenditures, as has been suggested by the Opposition bench. We should use that money, as has been done, to set up a reserve or a surplus or a Stabilization Fund, call it what you like, for the financing of projects for the future.

I would like to make a few comments on comments other Members of this Legislature have made concerning my department. The Member for the Interlake (Mr. Uruski) suggested that an increase of one-eighth of 1 percent in the guarantee fee that is being charged by the Manitoba Government to Manitoba Hydro, and indeed to all corporations, we should turn around and—it is an unfair fee he suggests, but MPIC who have reserve funds should charge the Manitoba Government a fee of one-quarter of 1 percent. Now—

**Mr. Bill Uruski (Interlake):** Mr. Deputy Speaker, on a point of order.

**Mr. Deputy Speaker:** The Member for the Interlake, on a point of order.

**Mr. Uruski:** I wish the Minister of Energy and Mines (Mr. Neufeld) would quote me correctly. I did not say that the tax was unfair. I indicated that his own Minister of Finance (Mr. Manness) was opposed to a tax on mortgages, and in fact this is a tax on mortgages only in an indirect way to the people of this province.

**Mr. Deputy Speaker:** A dispute of the facts is not a point of order.

The Honourable Minister for Energy and Mines (Mr. Neufeld) has the floor.

**Mr. Neufeld:** A guarantee fee is not a tax on mortgages. A guarantee fee is commonly used where guarantees are made in the industry. It is not a tax on mortgages. A tax on mortgages would be one that the Government levied against a property or against a mortgage that I might own or that the Member for the Interlake (Mr. Uruski) might own, a great difference between a guarantee fee. A guarantee fee normally is charged where the borrower could not normally borrow the money without somebody's guarantee. The guarantee fee of one-quarter of 1 percent is not a very large fee.

To go on, MPIC does not guarantee any monies for the Manitoba Government, so why should they get a fee similar to the one that is charged to the Crown corporations? They lend money to the Manitoba Government, as the Member suggests, but they get the highest rate of interest that they can get anywhere else. They get the equivalent rate of interest.

I would also like to make comment on the suggestion by the Leader of the New Democratic Party (Mr. Doer), who suggested that we have brought back a tax that they had levied last year and which we in our Budget took out. The tax they levied last year was double taxation. It was a 7 percent tax on the mining revenues of the mining companies of the North. It was brought in because in their view, and I think I share that view, the allocation of income between provinces and Manitoba where a corporation is located in more than one jurisdiction, the allocation of income is not proper. That may well be, but why penalize the company if that is so? Why penalize the company for misallocation of income that the company has no jurisdiction over? That is an agreement that is arrived at between the provinces and the federal Government.

What we have done, Mr. Deputy Speaker, we have gone to the companies and said you agree, and they do agree, that the allocation of income is incorrect. They have agreed to take steps to correct that misallocation. They think they can set up corporations in Manitoba that will relieve the necessity for Manitoba to charge an additional tax. That is why the tax has a one-year sunset clause. I just thought I should put that on the record.

The Leader of the Opposition (Mrs. Carstairs) in her comments on the Budget said simply, and I can say it all in one sentence, two words actually: spend more. That is her objection to the Budget. Spend more on



Housing, spend more on legal fees, spend more on Seniors, spend more on Health, spend more on Family Services, spend more on Agriculture, spend more on Education, I probably missed some. The only thing she does not tell us is where the money is going to come from. She also does not tell us where the money is to be spent, she simply says spend more. She does not tell us where the inadequacies are. She does not tell us the programs that are not being delivered today. I suspect she does not know the programs that are being delivered today but she says, Mr. Deputy Speaker, spend more.

She seems to equate and this is probably general in the Opposition benches, they equate more spending with more services. I do not subscribe to that. I think you can deliver the same services without spending more money. You can deliver the same services perhaps with spending less money. That, I believe, is a definition of good management and that I believe is the direction we are going. That I believe is what is going to bring us out of the financial problems this province is in—good management.

She wanted more programs for seniors. She did not tell us what programs are missing. She wanted to spend more money, more programs. She does not tell us what programs she wants. She does not know what programs there are but spend more money. The only thing she can tell us is spend more money.

\* (1520)

Job creation, sure job creation is a good term. Who creates jobs, Mr. Deputy Speaker? Industry creates job. Governments do not create jobs. Governments buy jobs and in most instances what they do is they provide money so businesses can engage unemployed people for a certain period of time and they will fund it, after which time the need for that person probably ends and they will go through the process once again. So job creation is a creation of a climate that encourages business to create jobs. That is job creation, that is lasting jobs creation, and that is permanent jobs creation, and that is what this Government intends to do.

She says, you did not spend enough on Housing. What programs do we need? Does she know how many housing programs we have? This Government, I am told by my colleague, the Minister of Housing (Mr. Ducharme), has presently 51 housing programs, 51 housing programs. These programs have come about because there was always a perceived need for another. There is never a perceived need for cutting one out, but there is perceived need for others. She says she has many more questions and I believe that. Does she have any answers? That, I have to question.

We talk of day care and I could not agree with you more, Mr. Deputy Speaker, we need more day care. We need day care for those in need. My colleague, the Minister of Family Services (Mrs. Oleson), tells me that a minimum amount of daily cost per child is \$10 in a Government day care centre. That means for every child, even though the parent pays the full amount, the cost to Government is \$10 a day. At private day care,

the cost for the parent who pays the full amount would be nothing to the Government.

I have to agree with my constituent who told me that she gets awfully upset when her husband, who works many hours a day in order to make ends meet—and between the two of them, they have decided that she should not work and she stays home to look after her three children. She says she gets awfully upset when her husband's taxes go to pay the day care for two-income families or professional workers, in some instances, who use their extra money to buy two cars, exotic holidays, summer homes. I have to ask, is that right? Should we be paying day care costs for those who are not in need? I think not. If we did not pay for those not in need, we could give more for those who need. I think that is the objective of any good Government. It is not a blanket payment of funds. It should be directed to those who are in need. I think this Government is compassionate enough and caring enough to understand that and will work in that direction.

Home care is nothing more or less the same. It should be directed at those who need. Home care was a program that started off, I believe, as an experimental program of some \$4 million of annual cost that has mushroomed now into a fifty-some-odd-million-dollar program. It has to be controlled, Mr. Deputy Speaker. We have taken some flack. I have taken some flack for that one. I was told there were a number of senior citizens who were in desperate need of home care, were being cut off, and what had I done about it. This is in my days as responsible for Seniors. I visited every one of the people who -(Interjection)- the Member for St. Vital (Mr. Rose) says I am stretching it. Well, I will accept that. I have known the Member for only a short time, but I have known him long enough to know that he is not too capable of giving a good opinion on any of them.

Mr. Deputy Speaker, I went to visit the five names. These were the numbers, the large numbers. I went to visit each one of them. Yes, there were some. These people had been cut down, if not cut off. There was one of them who was older than I was. Only one person was older than I was. There were two who were younger and the husbands were not working, but did not want to do the work so they brought in home care. There was a 55-year-old who did not want to do the vacuuming and wanted somebody to come in and provide home care services for her. Is this what the program should be about, or should the program be for the elderly who wish to stay in their homes and cannot afford it?

The Leader of the New Democratic Party (Mr. Doer) at a press conference in the Legislature some time after New Year's brought in a 92-year-old lady and said she had been cut off her home care. On the surface, I would say she deserves it. She lived in a house and she deserved home care service. The last question she was asked was, can you afford to pay it yourself? Her daughter said, yes, of course she can but why should we? Indeed, Mr. Deputy Speaker, why should we? That is a problem, that is my point. Care and help should be given to all those who need but if we gave less or not to those who do not need, we could help those in

need far more. That should be the goal of Government, to help those in need and not those who are not in need and want it simply because they do not want to spend their own money.

My mother qualifies for home care. She qualifies because of age, she qualifies because of income but she says, no, I can afford it, why should I get it? I wish that all our people, all our residents would have that view.

**An Honourable Member:** She is 88.

**Mr. Neufeld:** My mother is 88, yes.

**An Honourable Member:** Eighty-eight years old, she is an independent sort.

**Mr. Neufeld:** I call it pride.

**An Honourable Member:** Do you mean people taking assistance from the Government do not have pride? Is that what you are saying?

**Mr. Neufeld:** I am saying that there are abuses.

**An Honourable Member:** Those who do not need it and take it, how do you determine that?

**Mr. Neufeld:** Those who need it deserve it and should have it.

**Mr. Bob Rose (St. Vital):** They all deserve it, they all paid for it.

**Mr. Neufeld:** Oh that, Mr. Deputy Speaker, exactly the point. How can you run a social system by saying those who have paid for it deserve to get it? How many times have you heard the comments of those who are taking out unemployment insurance benefits? They said, I deserve it, I paid for it. Unemployment insurance benefits cannot be paid to everybody who has paid into the plan. That is the purpose of a social program, to take from those who can afford and give to those who need, but an asinine statement like that by a politician, by the Member for St. Vital (Mr. Rose) is incomprehensible. We deserve it because we paid into it.

Mr. Deputy Speaker, I paid into the Unemployment Insurance Fund for 40 years and I paid heavy. Do I deserve?

\* (1530)

**An Honourable Member:** No.

**Mr. Neufeld:** Why do I not deserve? A social program is intended for those who need it and we can give them much more.

**Mr. Deputy Speaker:** Order, please. The Honourable Minister of Energy and Mines has the floor.

**Mr. Neufeld:** We can provide far better services. I know the Member for St. Vital (Mr. Rose) did not mean what

he said because nobody would say a thing like that, not in his right—let us not go too far. We are not going to suggest, are we that—

We have another problem that we get an awful lot of hits on, private schools, funding for private schools. Since when does funding for private schools cost the public purse money? Supposing we closed all those private schools, Mr. Deputy Speaker. Who would pay for all the students moving into the public school system? Do not tell me about absorption in all the schools because I have been around long enough to understand there is a cost-per-student relationship, and school systems would immediately ask for more money because they have more students. So do not think that the public school system is being subsidized.—(Interjection)— So you agree that there should be help to private schools?

**An Honourable Member:** Oh, you bet.

**Mr. Neufeld:** Thank you.

**An Honourable Member:** Here is where we have a difference with the NDP. They do not do that.

**Mr. Neufeld:** We will talk to them later. Mr. Deputy Speaker, I would like to summarize. Your reduced expenditures do not equate necessarily to program reductions, and I think we have to understand that.

Good management could as easily result in reduced expenditures. I want to make that very clear. Just because we had a lapse in the spending of some departments does not mean that we have not delivered programs in the same manner, at the same level that we had intended. We have, but we have done it at less cost and that is good management.

I would like to say also that if we get advice on new programs and the expenditures of monies, I would like to get advice on specifics. Do not just say blanketly, spend more money. That does not help us and it does not help anybody preparing a budget. Tell us what the needs are, if you feel that there is something that is missing in that Budget, bearing in mind that there are costs involved and that those costs have to be paid by taxpayers.

If we are going to get advice on programs, tell us about programs that are obsolete. Surely to goodness in all these years there have been programs brought in that are no longer necessary. Tell us about those programs. If any program is cut down or cut out, it is a reduction of services. That is all we hear, reduction of services.

I think we must strike a balance between the services that we provide and the services that we can afford because, the more we spend today, the less our children will have to spend tomorrow. It is not fair to have to mortgage their future and to mortgage the future of your grandchildren in order to have more services at less cost today. Pay for today and then let the people decide whether or not they want those programs continued.

**An Honourable Member:** It is called living within your means.

**Mr. Neufeld:** That is called, as my colleague says, living within your means, and I subscribe to that theory.

I will close but I will say only that for a Party that five short months ago was likened to an adult day care centre and now is ready to govern is a little absurd. Thank you, Mr. Deputy Speaker.

**Mrs. Gwen Charles (Selkirk):** Mr. Deputy Speaker, after one year of being in this building, it is interesting to see who the governing Party is and it seems to be we in the Liberal Party because that is all that anybody wants to talk about. We should come up with programs, the Minister of Energy (Mr. Neufeld) just said. We should tell them what to do. I think this is marvellous. Why do they not give us the staff? In fact, why do we not just get the power? We could go to the Lieutenant-Governor and say, hey, you know it is a minority situation, he has the power to determine it. Why do we not do it? We probably would do a better job because I tell you, what I hear in this room is disgusting. It is not just disgusting in what has been brought forward by this Government but it is the attitude I am hearing from Government and from the New Democratic Party. The NDP wants to put us in the worst possible light.

It was interesting to hear the Member for Wolseley (Mr. Taylor) talk to the Member for Flin Flon (Mr. Storie) saying, oh gee, you must have looked at the polls, you are only up to 16 percent. The Member for Flin Flon said, you mean we have doubled that much? That shows exactly what is happening. Everybody in the other two Parties is watching the polls and that is the worst type of politics there is because people want statesmanship.

**An Honourable Member:** And what are you doing?

**Mrs. Charles:** The Minister for Transportation (Mr. Albert Driedger) says, and what are we doing? He wants us to come right out and say how we are voting on the Budget without looking at it.

Now reacting to something just on the flick of a Bic is the idea that maybe we should just talk politics and decide, oh, we cannot vote against a Budget that comes down with tax deductions. Oh gosh, the people would not like that, they might not re-elect us. Is that what we are supposed to say or are we supposed to sit back and take time to look at it, ask questions? I think that is what the people want. That is what they asked me to do. I do not know if they thought that you should just make snap decisions. If you would talk about your handshakes in Gladstone, snap decisions are not the best ones to make.

The New Democratic Party wants to paint us as wishy-washy. There are all these nice little phrases that are coming out of the two other Parties. They keep talking, as the Minister of Energy and Mines (Mr. Neufeld) just says, about this adult day care. Let us talk about day care. The biggest day care person we have is the Minister of Health (Mr. Orchard). If he were my child—and thank God he is not, No. 1, because I would be much older, but No. 2, he acts so much like a child I would send him to his room on many occasions.

The fellow is a very small man, and I mean not short small, I mean small because he will not answer

questions. He likes to call everybody down on personal attitudes. He says things that are silly. He has no regard for the public. He does not give a hoot about who elected him because he thinks it is all just a joke. He likes to make gestures in the House. He likes to make silly jokes. He has no pride in what this building is about and what we represent.

From time to time in this House, I do feel very good about what goes on here. From time to time, as in the Beijing situation, as with the aboriginal educational funding, we got together. We maybe would not agree on 100 percent of what was going on or how to represent it but we got together. When I hear smart-ass remarks like the Minister of Health says, I do not think that I want to be represented by that type of character.

**Hon. Charlotte Oleson (Minister of Family Services):** My goodness . . . .

**Mrs. Charles:** The Minister of Family Services (Mrs. Oleson) is trying to calm me down. I am reacting to what I hear in this House. If this is what I am getting back, then maybe you would like to hear some of it yourself because I do not appreciate it. I do not see why you should appreciate it either. The attitude in this House is not appropriate.

You hear what goes on and have you ever talked to your Members about the way the attitude of the Premier (Mr. Filmon), of the Minister of Health (Mr. Orchard), of the Finance Minister (Mr. Manness), of the Attorney General (Mr. McCrae), calling people silly and stupid? Do you think that is the attitude the people of Manitoba want? Obviously there needs to be an election because this House does not seem to want—

\* (1540)

**Hon. Albert Driedger (Minister of Highways and Transportation):** What is wrong with the election we had last spring?

**Mrs. Charles:** The Minister of Transport (Mr. Albert Driedger) says what is wrong with the election we had last spring? If they had been a co-operative minority Government, because I have always said throughout my life that I like minority Governments when they work, and it could have worked.

We came in with two major speeches we have to make, two major attitudes that we have to bring into this House. One is the Speech from the Throne and one is the Budget. If I were looking at a Government that wanted to really work with the people of the province, they would have something in common, the Speech from the Throne and the Budget. I would say they would not be making a political gesture if those two items had something in common, but we got a Speech from the Throne which promised several good items. It did not have as much as we had hoped and it left out a lot but it had some good items. It spoke on Environment, it spoke on Natural Resources, it spoke on some health care issues, on multiculturalism, some of those things. We voted against it because of what

it did not have in it and we voted against it because we are the Official Opposition.

The people of Manitoba deserve a working Government. Working Governments deserve honest Oppositions, not ones that go with the will of the polls or whether or not it would be a good time for an election if we are up high enough, maybe we should go for the polls. This Budget, if you overlaid the Budget on the Speech from the Throne, you would not see anything in common. The Budget misses on very many areas.

**Mr. Neufeld:** Liberals are always . . .

**Mrs. Charles:** The Minister of Energy and Mines (Mr. Neufeld) says, what do the Liberals want? They should be giving us suggestions. We have, if he has been listening, been giving them suggestions. The Minister of Health (Mr. Orchard) has not picked up on all of them but he has picked up on a few.

We have seen some ambulance funding come through but we have seen a lot that has not come through. We had to speak quite often in this House to get funding for the aboriginal justice inquiry. No, it was not going to come but we asked and we asked. We gave suggestions of what was going to be wrong if we did not get the funding. Finally it came through, and we thank the Government for that.

Meech Lake, how many times did we have to speak on Meech Lake? We said there are problems with it. Oh no, the Government says, no problems, no problems. Within 48 hours, they discovered the problems and we thank them for changing their mind on Meech Lake.

Rafferty-Alameda, we said, hey, there are some problems there. There are possible problems there. Let us stand back and take a look at them. Oh no, there are no problems with them. We have made up our minds. We are going to go with the Saskatchewan studies and the American studies. We do not want to look at it but then again now we better change our minds because indeed there might be problems with Rafferty-Alameda. These issues are ones that we, as Oppositions, have been able to change your minds and we congratulate you for being open enough to change your minds and to do what is right and proper.

The Minister of Energy and Mines (Mr. Neufeld) kept saying that all the Leader of the Opposition (Mrs. Carstairs) wanted to say was spend more. It is tough times. The Minister of Finance (Mr. Manness) admits that he has got a windfall and we congratulate, I think on behalf of the province, his ability to be able to take that windfall and come out with what would have been a surplus but he just wanted to make a little deficit.

It is not going to help next year. We have to make some tough decisions in all of Canada. We have discussed some of these in the House. We have to decide what agriculture is about, whether it is a way of life or whether it is a business and supported accordingly. We have to decide what rural Manitoba and indeed rural Canada is about and how much support we are going to give it. We have to be able to put people on their own feet and to be able to be self-supported. We have to give them the ability to read

and write, when our prisons are filled with people with learning disabilities, when those on welfare do not have the literacy rate that other people in the population have, when those in inner cities with all the problems do not have the job training and the literacy that could put them on their feet and be self-sustaining.

If we have to look at cutting down budgets and indeed we do, then we may have to look at spending a bit of money to make people self-supporting. I think the people understand that. A person with a heart condition cannot go out and work but right now they are asked to sit there for a year or so waiting for an operation. What benefit is that person to society as to economical benefit when they cannot work? If we had a system in where they could be back as a working person, then perhaps they could be putting money back into the system instead of laying waiting for the services to come to them. So indeed there will have to be some up-front costs. I think if we had gone to the people and seen this Government sell that to the people, they could have supported that.

The other option perhaps was to say, okay, we are not going to give you any services but all we are going to do is reduce the deficit. That indeed could be an honourable project for the Government to do if you told the people that. When you tell the people both, when you tell them we are going to give you everything and we are going to cut the deficit and cannot do both, then you are deceiving the people. I do not believe you are doing it for any other reason than for political gain.

We have to look at how the Budget and Throne Speech overlap and they do not. We speak about sustainable development. We heard about the dedication to clean water. Indeed in the Budget we talk about the support for the City of Winnipeg, that it will have a clean water supply, but where is the support for cleaning up the Red River? Where is even a given that there is a problem with the Red River? We talk about support for the environment but where is the support in the Budget to have increased Clean Environment hearings? Tonight, I will be going to Carberry to hear a Clean Environment hearing which was somewhat a snap call. I would hope that with more money they would have had more ability to advertise it and more ability for the people there to be able to put forward their attitudes and a comprehensive means to a Clean Environment hearing.

We have an environmental Act that this Government has suddenly discovered and this House is going to enforce, although certainly in East Selkirk when it was asked to be tested after five tries and having it cancelled, the Crown finally called against The Clean Environment Act. We have The Clean Environment Act and it is going to cost us more money to enforce it. It is going to cost us more money when we are having projects, such as the Dow Corning site coming into East Selkirk, when we have to look at environment hearings. Now that we understand what the concerns of the environment can be, it is going to cost us more money to make sure we do not harm it. Did this Government do anything about that? They cut back, decreased the funds that could be used for Clean Environment hearings.

We have, in this Government that continually speaks of agriculture as being one of the main industries for this province—and indeed it is. Certainly we in rural Manitoba, and as rural as my constituency is, the Town of Selkirk depends upon an agricultural community, maybe not as much as some other communities but indeed to a great extent.

We do not have a sustained support for agriculture. There are many areas that we have to question what they are doing. When we look at rural development, many rural towns just cannot develop unless they have sewer and water support somewhat immediately. There are some \$17 million needed for sewer and water, but we do not see that in the Budget. We do not see any direction in the Budget to support sewer and water increase. It was of course promised in the Throne Speech, so which is it to be?

We talk about rural development, and that has been a very popular phrase. Of course, mostly what I hear from rural people is that they would like some statesmanship out of the governing politicians, whatever their stripe may be, and not that they want to see us governed by polls. What do we see in rural development that this Government touted in the Throne Speech? We see a decrease in the Economic Development Fund, and many rural communities are depending upon that as a spur to their increasing and their ability to attract development.

Perhaps one of the greatest hopes for rural towns and rural areas and regions is tourism, and I find it most saddening to see how much tourism is cut. Indeed there are problems with the federal Government once again, but unless we put our tourism dollars out there, because the tourism dollars are new dollars on most counts—they are not old Manitoba dollars. They are new ones brought in and in my community where I see at this time of the year car after car coming from the States to come up and fish in our river, I understand how many dollars they are bringing into our community. You know who is going down there to bring up these tourists? It is not the Province of Manitoba. It is individuals out of their own pockets.

One of my neighbours, in particular, I was speaking to the other night, three times this last winter he has gone down on his own, paid his own way in order to bring tourists up because his business depends upon it. He is bringing dollars into our country. Now, if that were an organized—he is bringing maybe four, five a year—supportive tourism, and I am not saying he should be left out of it, but I mean if he got some support, more tourist dollars would flow into the area.

We talk about the cost of health care continually and we are doing such things in this House as introducing a smoking Act, and I certainly support that because the cost of smoking is extreme to all of our health and to all our economics throughout probably the world, but another area that we can cut down on the cost of health care is making people more fit and encouraging people to be involved in recreation, not only physically but mentally. Yet the Budget decreases or does not increase budgets for fitness and recreation. Three-quarters of our health care costs go to diseases and situations that are developed by our lifestyle. Only about

one-quarter of our health care cost goes to diseases that are non-preventable.- (Interjection)-

The Minister for Trade and Tourism (Mr. Ernst) talks, he says, where would you like to get it from? I was speaking earlier, you were not able to hear that if we do not put some cost up front, we will never decrease the cost in the long run. If we encourage people to stay fit both mentally and physically, we will not have to hospitalize them or send them to the doctors as often as we do now.

\* (1550)

Along that same line, we see very little increase in the Alcoholism Foundation. This is a particular issue in my own area where we have a very supportive volunteer group and they are asking for an added caseworker for the AFM to help our youth. If we accept that alcoholism is a disease, then we should be doing something to treat it. When we see no increase, no support in any means of supporting the AFM, then I am assuming that we are allowing the disease to continue and having people taken out of being capable of supporting our industries, of supporting our economy, and allowing them to suffer the lifestyle that this disease creates for them.

Of course in Selkirk, I am very concerned about the lack of support for the Selkirk Mental Health Centre and indeed for the child and adolescent mental health care. We even see a decrease in mental health promotion.

Most people like to ignore the fact of the costs that mental health diseases create for society. They are very prevalent, but we like to ignore those who suffer from the disease. It is probably one of the largest diseases we have. In one time of each person's life, most people, at least 25 percent will suffer some mental health disease of some sort, and to see a decrease in that means that we are not willing to have people become as productive as they possibly can be.

Mr. Deputy Speaker, I find it almost impossible in this year of record fires and drought to see how much they have cut back on natural resources. I feel sorry for the new Minister because I was hoping with the quality of man that he is to see great things come out of his department. Indeed I know he will do the very best he can with the department but there is a limit. Money does become a factor from time to time. I am particularly concerned about forestry in this year of fires and with the agreement we have had with Repap Limited.

We have to have a silviculture industry developed in Manitoba quite quickly, and when we see a decrease in support of silviculture I am quite concerned. I hope the Minister and I will be able to discuss this and find out some new directions that perhaps he has in mind. I will certainly support any new initiatives, including some of the aboriginal people in supporting the silviculture industry.

We also look within natural resources, a cut down on water resources, the funding for water services and soil. When we have lost over half our soil within a

hundred years and it is depleting at a faster rate than perhaps ever before, I am very concerned. As much as we are concerned about water, and indeed everyone does need water to live, I am concerned about our soil. I will be the first to support initiatives that will encourage wetlands maintenance, that will encourage shelter belt developments, that will discourage farming practices that increase soil depletion.

Of all the issues I have had come in the door of my office, certainly Workers Compensation is the very greatest, not only in terms of numbers but in terms of pulling the heartstrings. I have had probably half a dozen families, most often men, coming into my office, often with tears in their eyes because they are losing their houses. They are having to go on welfare and indeed having to give up the lifestyle they have been used to. I always thought this could not happen to me. It was interesting to hear the Minister of Energy and Mines (Mr. Neufeld) saying, "I am too proud, I would not have to take this." From time to time, it comes to me that we can lose our pride very quickly when situations change.

In talking to the provincial Ombudsman's Office, they tell me that Workers Compensation is worse now than it has ever been before and yet we have given this Government a year to try to turn it around. They have not.

(Mr. Speaker in the Chair.)

I am still continuing to see workers come in my door in tears because of having to finally go on provincial or town welfare in order to protect their families from hunger. They are finally having to face up to the fact they cannot anymore keep their homes because they cannot pay their mortgages. This is not because they are not deserving. Often, I have had them have the piece of paper saying, "Yes, you are entitled to compensation," but they cannot get the cheques from the department.

Here is a Government that is willing to say you deserve something but we are not going to give it to you. It is really too bad if you lose your house, it is really too bad if you lose some pride, it is really too bad if you are suffering mentally and physically from what we are doing to you because, after all, we have a little bit of a mess here and we are doing our best.

Doing your best when people's lives are falling apart is not quite good enough for me, especially when they will not admit that there are problems any more than saying, "we are working on it." We have had to beg from the staff of Workers' Compensation many times to get files, to have phone calls returned. A week ago, I had a client who was on hold for an hour with Workers' Compensation, and yet they say our phone lines have improved.

I am not happy with the attitude nor the abilities of this Government. It has not proven to me that it is willing to be a co-operative minority situation.

**Hon. Donald Orchard (Minister of Health):** Gwendolyn was not nice to me . . . .

**Mrs. Charles:** See, there goes the Minister of Health (Mr. Orchard) again.- (Interjection)- I rest my case.

I really hope that in some way we will be able to see in the next few days a change of attitude that will give me belief that we will be able to support this Government, but I have my doubts. We will continue to ask questions and we hope to get responses.

The Minister of Finance (Mr. Manness), in trying to answer the questions of the last few days, has changed his mind I believe six times on one issue, on the dates, and whether it is possible or not. He gets little plays from the sidelines handed in of little notes saying what is and is not to be. That is not good enough. He tells me that retail sales are up. Indeed they are not of course, up year to year but not overall with inflation.

**An Honourable Member:** You are wrong again.

**Hon. Clayton Manness (Minister of Finance):** We will see who is embarrassed.

\* (1600)

**Mrs. Charles:** Oh no, you check it out.

The Minister of Finance (Mr. Manness) says, who will be embarrassed? You cannot embarrass me because I stand behind everything I say.- (Interjection)- Okay, I accept that, thank you.

I do not see this Budget as being anything else but a political ploy. I do support the cuts in the taxes. I would like to see them as early as possible. I do support the decrease in the amount of the deficit because indeed that is a major issue. Let us be honest with the people. Let us say we are having a decrease now. It will not be easy next year, but let us find out where we can spend money to save money. Let us tell them what is going to happen, not promise one thing in the Throne Speech, promise one thing in the Budget and see nothing that overlaps and shows us where this Government's attitude is and where it intends to go. Mr. Speaker, I thank you.

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, I am privileged to be able to join in the debate on another Budget for the Province of Manitoba, another Budget that bears the fruit really of six-and-a-half years of good Government and reflects the fact that the financial position of the province was on an improving course and had been since the year 1986-87, at which time a decision was made that while we had, as a Government, supported the economy through a difficult period, the rebounding economy required less intervention and required more attention to be paid to the spending of Government and the reduction of the deficit. It is rather ironic, I suppose.

Many of the reporters in the press gallery have commented on the irony of the fact that we have the Minister of Finance's (Mr. Manness) grinning face on the cover of the Winnipeg Sun, talking about the good-news Budget. Of course in some respects it is a good-news Budget, but like every Budget that is delivered there is also some bad news in the Budget and I will get to that in a moment.

I want to talk about the good-news Budget and that has been the availability I guess of additional revenue,

a windfall of revenue to the Minister of Finance (Mr. Manness), to this Government, that came to the provincial Conservative Government, not through good management whatsoever but through good fortune by some planning on the part of others. It has left Manitoba in a situation where in at least 1989-90 they can look forward to some modest reductions in taxes and, as importantly perhaps, a reduction in the deficit.

For the Minister of Finance, and I give him credit for his candour, also recognized that the deficit reduction, the surplus we are actually experiencing in 1988-89, is somewhat illusory and is based on windfall revenues falling in the hands of the Minister of Finance (Mr. Manness) at this particular time, because what we have is an estimated deficit of some \$300 million in 1988-89 which actually turned out to be a surplus of \$48 million.

**An Honourable Member:** One ninety-six is what I heard, not 300.

**Mr. Storie:** Pardon me? Mr. Speaker, the difference of course has been \$200 million in additional revenue, transfer payments from the federal Government. Virtually every single source of own source revenue, provincial source revenue has increased dramatically. Mining tax increases account for some \$117 million in additional revenue. We have a situation where the deficit can be manipulated in this particular year for whatever reasons. There was an acknowledgement by the Minister of Finance that the deficit will arise again as soon as those exceptional circumstances disappear.

Mr. Speaker, I simply want to be on record as recognizing that the Minister of Finance (Mr. Manness) has done a relatively competent job in portraying the circumstances of the province, as left to him by the previous Government. I know the Minister of Finance will join with me in recognizing the fact that part of his windfall was due, in part, to the increases in taxation imposed by other levels of Government, particularly the federal Government. It has also been the Minister's good fortune to have some reduced interest costs, associated not so much with again management of the Government but good fortune. So we come to a set of circumstances where the Minister has a financial picture which is as good as it has been for some years and has presented a Budget which, I think, is by and large palatable.

It has certainly been interesting to watch the Official Opposition, my Liberal colleagues, fight with I guess or wrestle with their disposition to lust after power, to knock down the minority Government that we are trying to make work and at the same time appear reasonable. I think perhaps their current uncertainty, their current ambivalence when it comes to voting or not voting for the Budget reflects the facts they have been told in their individual constituencies that the public does not want an election. I think they have the common sense, I hope they have enough common sense to recognize that this Budget per se is a reflection of better circumstances financially even though, and I emphasize this, it is a temporary phenomena.

My only serious criticism of this Budget comes with respect to two issues. One is the total absence of any

underlying economic development strategy. We did not see it in the Throne Speech. We saw a whole series of piecemeal buzzwords applied to the Throne Speech, buzzwords from every single interest group in the province but we saw no strategy. This, Mr. Speaker, the economic blueprint for the province not only for the year 1989-90 but for the future shows the same lack of vision, the same understanding that we have to develop an economy based on a set of principles. The laissez-faire attitude of the Minister of Finance (Mr. Manness) is evident in full blossom in this document because it has no direction.

The Stabilization Fund that the Minister announced is simply a clever way of addressing the recognized fact that next year the deficit position of the province is going to skyrocket again, that the province may be faced with a deficit of \$250 million to \$290 million, even by the Minister of Finance's own recognition.

The Minister has said, let us set aside some money because of the windfall this year to make sure that we do not end up looking bad next year. That is, I suppose, a legitimate political goal but I do not feel there is any other substantial fiscal goal when it comes to this fund. It does not achieve anything substantial in terms of a bettering of the Manitoba Government's fiscal position.

It is a fund that may, the Member for Morris (Mr. Manness) suggests, impress the bond rating agencies that there is more stability, less volatility in our deficit-surplus kind of situation. I do not think, frankly, that the bond-rating agencies are going to be impressed by the establishment of a fund that is in essence a vehicle only to manipulate the graph reflecting our deficit and nothing more. However, Mr. Speaker, the real fly is in the fact that there is no economic blueprint. What we have seen in the Budget, and if you look through the Estimates of each department it is reflected in there in terms of dealing with our Natural Resources, the Department of Natural Resources ends up with less money.

If you look at Agriculture, Agriculture receives some additional money but only to the extent of relief of education taxes on farm land only. There is no additional recognition of the importance of agriculture, no additional financial support to develop programs, to increase productivity, to stabilize farm income, nothing.

What we have seen is an increase, and this is the irony of this particular increase, on the money that is likely to flow out of the province because out of the \$12 million that went to support the reduction of education tax on farm land, more than \$2 million, closer to \$3 million actually, actually flowed out of the province. So this money is part of the continuing errant philosophy of the current Government with respect to how taxation on farm land should be dealt with, and it is a flawed philosophy. Much of the supposed benefit of this particular portion of the Department of Agriculture's budget does not even really support operating farmers in the Province of Manitoba.

So if you look at Natural Resources, there is decrease. The increase in the Department of Agriculture's budget is superficial at best. It does not deal with the real problems in Agriculture. The Department of Energy and

Mines, again another very important economic portfolio, also sees a reduction, and this at a time when the revenues coming to the province from mining have skyrocketed. We have seen an increase, a manifold increase in revenue to the province from mining, but yet we see no money being put back into programs to support the mining industry, again quite an unfathomable approach to economic development.

\* (1610)

There is no seeming interest in creating the kind of atmosphere for young people in the province that would encourage them to stay in Manitoba, to invest for their futures in Manitoba. The Jobs and Training Program has been cut by \$3 million. We know that there are students, there is a high rate of unemployment for young people, those 15 to 24 years of age, and it is going to get worse under this Government.

Mr. Speaker, there are virtually no new thrusts coming from the Department of Industry, Trade and Tourism. The department seems to have died since the election of this Government.

Mr. Speaker, I can recall a time when the rainy-day fund that was introduced by the Minister of Finance (Mr. Manness) would have been used by the Government to fund something more substantial. That was the Manitoba Jobs Fund which had programs like the Jobs and Training Program, Careerstart, the Venture Capital Program, Technology Commercialization Program and the InfoTech Program, programs that had as an underpinning an economic development thrust. Instead, the Minister is worried about the balance sheet for the bond-rating companies, rather than worried really about the interests of Manitoba—their primary interest being a job, their secondary interest being maintaining of services.

Mr. Speaker, that is the secondary of where I am worried. I am worried because the Government has no apparent interest in developing an economic philosophy. They have also no interest, it seems, in using some of the—some, I emphasize—windfall that they received from other sources to shore up some of the critical areas of public service that are beginning to crumble at the edges.

I talk about the public school system. I talk about the fact that the Minister of Education (Mr. Derkach) has provided funding to private schools, approximately a 30 percent increase but has failed to provide any increase whatsoever to the hundreds of teachers out there, the thousands of students in the public school system who also have special needs and are trying to have them addressed. We could go on and on with examples of programs and services that are crumbling, that could have been addressed by the infusion of some of this rainy-day fund money.

Mr. Speaker, the fact of the matter is that the Government has also missed an opportunity to support rural Manitoba in a way that it prophesied and promoted both in the election campaign of 1988 and in its subsequent Throne Speech. In the Throne Speech we heard this year, it talked about promoting diversification of the rural economy, it talked about decentralization,

it talked about infrastructure in our rural communities, and we have seen none of it.

The fact is that communities across this province, from Flin Flon to Brandon to Portage la Prairie and many other smaller communities throughout the province, are suffering because of a lack of appropriate infrastructure. There are water and sewer projects that need to be undertaken. There are water waste and waste treatment facilities that need to be upgraded and yet we see none of that in this Budget. We have a circumstance where the Minister of Finance (Mr. Manness) could have done that. He could have provided a fund to support that kind of initiative.

The Minister may want to rely on the federal Government. The federal Government had promised a \$60 million infrastructure development program in rural Manitoba and that may be coming through. We certainly are due some good news in the Province of Manitoba, but this Minister and this Government and this Minister of Rural Development (Mr. Penner) chose not to do anything through this document. That is a shortcoming, and a serious one for rural and northern Manitoba.

Mr. Speaker, I only want to speak on one other area that reflects an erosion of the economic base of rural and northern Manitoba. That is in the fact that in the Budget document the numbers reflect a significant decrease in the amount of money that is coming to the province through shared costs and other transfers. One of the Department of Industry, Trade and Tourism officials acknowledged that the ERDA agreements are all under review, that six or seven of the ERDA agreements have lapsed. Their official obligations between the province and the federal Government ended on March 31, 1989 and those programs have been left in limbo.

While the Member for Morris (Mr. Manness) may feel comfortable knowing that those programs have lapsed, I can tell you that those in rural and northern Manitoba are concerned, worried about the fact there is no agreement on the Northern Development Agreement, \$186 million five-year agreement that has developed community infrastructures in northern Manitoba, that has spent almost \$90 million on training-related programs in northern Manitoba. They are worried about the lack of a forestry agreement, the lack of a mineral development agreement, the lack of a transportation agreement to support the Port of Churchill.

All of those things signal to the North at least that times are going to be tough under this Government. Again they had an opportunity with the increased revenue to at least introduce a community development fund or some kind of fund that would protect our single-industry towns. They had money available to them to introduce the kind of community development programs that the previous Government used to help develop those communities, and help them continue to improve their quality of life.

We all know in the Throne Speech and in the speeches of Members opposite we hear about the desire of the Government and the Ministers to maintain the quality of life throughout Manitoba. It is certainly my belief



that unless the Government shows some initiative in terms of these ERDA agreements, we are going to have a serious erosion of the programs that are available in northern Manitoba, and ultimately an erosion of the quality of life that the people in Sherridon and the people in Wabowden and other parts of my constituency believe they are entitled to.

Mr. Speaker, obviously, as my Leader has suggested, we are in support of the reductions on the personal income tax side and the support that is being made available as an increased tax credit for children. Those things were part of the election platform of the New Democratic Party in 1988, so there need be no confusion about where those ideas came from. Whether the Government was doing that to ensure there was some modest support for the document on this side is really a moot point. The people of Manitoba are going to benefit. They have been hammered by consecutive Conservative federal Budgets to the tune of some \$1,700 per family, and perhaps there is some justice that some of that money be returned to them.

Unfortunately, I cannot say that I support the counterpart, the reduction in the payroll tax. Mr. Speaker, I cannot say that I do at this point. Although obviously we would like to be able to eliminate all taxes, we cannot. The payroll tax was one of those taxes that was at least progressive in the sense that all businesses, all enterprises across the province, regardless of whether they were labour-intensive or whether they used a lot of products, contributed to the tax base of the province. That means professionals as well. That means the people like Great-West Life and the banks who normally would not be affected by other tax measures—for example, sales tax measures—are supporting this.

(Mr. Deputy Speaker in the Chair.)

It is interesting that while the Members opposite said, "We are going to eliminate the payroll tax," to this point they have only tinkered with it, and we tinkered with it. The fact of the matter is that the revenue this Government is getting from the payroll tax is less than the first year the payroll tax was introduced. The Minister of Finance (Mr. Manness) may want to pretend that he has really sacrificed the Government by reducing the payroll tax. The fact is that the Minister is still going to receive some \$180 million in revenue. I do not want to encourage the Minister to fulfill his election promise but he certainly has not. What he has done instead is fulfill our election promise and we are going to support that particular measure.

Mr. Deputy Speaker, the Opposition have had their chance to express themselves with respect to the Budget. It has been rather interesting because we all recall what the Leader of the Official Opposition, the Member for River Heights (Mrs. Carstairs), said during the election. Now she is trying to pretend that her concern is for the average taxpayer and for families. I can tell you and the people of Manitoba know that when the Leader of the Opposition had a choice and she had a choice, a clear choice, she chose to reduce the payroll tax. She chose to support her friends and the Liberal friends and now, some months later, all of a sudden, no, no, she is the friend of everybody. She wants both of them eliminated, she wants every tax eliminated.

\* (1620)

**An Honourable Member:** How much is her house worth, Jerry?

**Mr. Storie:** I do not know what the Member for River Heights' (Mrs. Carstairs) house is worth, nor do I care. I think there may be some people who are concerned with what the Leader of the Official Opposition's house is worth. I am concerned more with her policies or her lack thereof. It is quite disconcerting to see a Leader of the Official Opposition flit from one idea to the next, to have no particular consistent approach, to pretend that she is with her friends when there is an election and big business is supporting her, and then after the election pretend that she sides with the average person.

Well, nothing could be further from the truth. You really do not have to go very far to find out what Liberals will leave when it comes to taxation policy. Today, we heard the most bizarre question from the Leader of the Opposition (Mrs. Carstairs) with respect to taxes in Newfoundland. The Leader of the Opposition was trying to pretend that somehow the new Liberal Government in Newfoundland was presenting some kind of innovative progressive taxation policy in Newfoundland. The fact of the matter is and this is the quote from a Member in the Legislature in Newfoundland, and he says that the present Government chose to balance the books on the backs of ordinary Newfoundlanders by taking out of their pockets an additional \$100 million.

Another editorial says this Government taxed everything that moved. That is what they did. What did we see, Mr. Deputy Speaker, when the progressive Liberal Government in Ontario brought down their Budget? Did they shy away from a payroll tax, that abhorrent, you know—

**Mr. John Angus (St. Norbert):** Obnoxious.

**Mr. Storie:** Obnoxious tax, the Member for St. Norbert (Mr. Angus) suggests. No, they did not. They introduced a payroll tax.

Mr. Deputy Speaker, not only did they introduce a payroll tax, but they too increased personal income taxes. They increased virtually every other tax that they could get their hands on as well. They increased gasoline taxes. They put a tax on rubber tires. They put a tax on land transfers; they put a tax on businesses; they increased drivers' licences.

We have the circumstances where the Liberal Government here that portrays itself from time to time as the friend of business and the friend of people not knowing what to do when it comes to supporting a Budget that is essentially a New Democratic Party Budget. I think that is wherein lies the rub, that they know that they would be supporting the essence, the main thrust of an NDP Budget when they voted on this Budget. It is hard to know whether in fact they do really want to see average individuals receive some relief which had been our policy since the 1988 election.

The speeches by the Official Opposition continue to confound me. You never know what to expect from

these Members from one day to the next on the issue. I have made the case before that the policy of the Liberal Government, at least as announced in the main from Members opposite, if that reflects Liberal policy and you never know because it is hard to pin down, we hear from the Leader of the Official Opposition (Mrs. Carstairs) that they support private day care, the funding of private day care.

Well, I can tell you, Mr. Deputy Speaker, that is not a position of the New Democratic Party. It is a position of the Conservative Party. They oppose final offer selection, despite the fact that the Member from the Liberal Caucus who spoke on final offer selection had said that it had much to commend it and that he had seen it work. His Leader had said, no, we are not supporting it. The Member for River Heights (Mrs. Carstairs) has said, no, we are not supporting it. So they are not supporting it, as are the Tories not supporting it.

When it comes to Established Programs Financing, the Liberals in the House talk about how the federal Tory Government is undercutting the province in health and post-secondary education by cutting back on Established Programs Finance funding. Of course we know that in 1982, it was the Liberal Government that started us on that very steep slope of reductions in health and post-secondary education, and we see in the Budget tabled by the Minister of Finance (Mr. Manness) a further reduction in health and post-secondary education funding, which is going to have an impact on our universities and our colleges over the long term, a tremendously negative impact.

The Council of Education Ministers of Canada recently produced a report that showed that some \$11 billion has been removed from post-secondary education funding since 1982—\$11 billion. I can tell you that provinces like Manitoba, New Brunswick and Newfoundland, the relatively poorer provinces, those receiving equalization payments from the federal Government, are going to be the provinces affected by those cutbacks. They are going to be affected more quickly and they are going to be affected more dramatically. The reason is simple. They simply do not have the revenue sources to continue to maintain the level of services once the federal money has been withdrawn.

I guess the Liberals have the same policy on virtually every financial issue except when it comes to voting for this Budget. We have heard very little from the Leader of the Opposition (Mrs. Carstairs) or from the new Liberal Finance Critic (Mr. Alcock) about fairness in the taxation program, fairness on federal taxation. We have heard very little from the Liberals about the continuing cutbacks to health and education, the elimination of regional development programs. We did see the Leader of the Opposition (Mrs. Carstairs) out in Portage la Prairie trying to take advantage of that particular circumstance, but there has been no sustained or organized reflection by the Liberal Caucus on the circumstances across Manitoba when it comes either to the federal Budget or to the Budget that is before us today.

I wanted to comment on a couple of other things that I found rather striking in comments made by the

Leader of the Official Opposition, comments that I suggest show a certain naivety and comments that I think reflect a certain arrogance. We all are reminded from time to time about the Leader of the Official Opposition's comment about she does what is good for herself and virtually no one else. We have seen that reflected in the way the Liberal Party has voted. What I found interesting was the suggestion that the Leader of the Opposition made, that somehow she was a Leader a little different than any other Leader. She may very well be but I think we may find out that is not the positive characteristic that we expected but rather the negative.

\* (1630)

The Leader of the Official Opposition was saying in her reply to the Budget suggesting that she as a Leader would never tell anyone of her political Party how to vote. I want to read this: "I do not think it is arrogant when I refer to one vote being cast as an expression of my conscience. You know, I do not tell anyone in my political Party how to vote. Maybe that is unusual for a political Leader. Maybe others do that. Maybe they twist arms and they jerk people around and say, you will vote this way or you will not vote that way. I do not do that. I have no intentions of ever doing that. So, when I say I am going into the ballot box and I am going to cast my vote as . . ." That is not leadership, that is anarchy and I think that reflects the Liberal Party.

The fact of the matter is that there is no leadership over there and it reflects itself in the questions we get from Members opposite. You do not have to have been here long and had conversations with individual Members over there, all of whom are fine people, but they reflect philosophical bases that are all over the political map.

(The Acting Speaker, Mr. Mark Minenko, in the Chair.)

There are many Members of the Liberal Caucus who do not support the Leader's position on private school funding, yet they do not have the fortitude to say so. There are Members over there who support the progressive approach of the New Democratic Party when it came to labour relations, yet they do not say anything. There are all kinds of Members over there who support free trade, yet they are so timid. They are reluctant to speak their minds and to express themselves about that opposition. What does that tell you? It tells you that either the 20 individuals who follow the Leader of the Opposition (Mrs. Carstairs) are so timid, are so void of principle that they follow mindlessly what the Leader says or the Leader of the Opposition is not telling the truth when she says she does not twist arms. You cannot have it both ways.

Mr. Acting Speaker, I found those remarks quite inconsistent with someone who has been in the House for a period of time, someone who believes that they are capable of leading a Government. I think the actions of the Leader of the Opposition, and unfortunately some of her colleagues who have followed her mindlessly, shows that they are not ready for Opposition, never mind Government.

I think we are going to have opportunity over the course of the next few weeks prior to adjournment that will show again that the Liberal Opposition is having difficulty focusing their attack on the Government because there is no consistent approach among its Members. Liberalism basically means you look at the issue and you make a decision, yes or no. You have no consistent philosophy, no consistent approach. If you talk to the individual Members on pieces of legislation, on matters of principle, on programs, you will find that, yes indeed, they are all over the map.

I want to say finally that the overall impact of this Budget is really somewhat illusory in positive terms. The Minister of Finance (Mr. Manness) has introduced a Budget which in effect is delaying any of the real good news reaching the pockets of Manitobans for some months. He is trying to make the fiscal picture of the province appear more rational and more strategically planned than it actually is. I think that the people are going to find when all the hype about the Budget is behind us, some two or three days perhaps from now, the real impact of the Budget is going to be rather miniscule.

The fact of the matter is that some of those in the middle income groups, some of those who have been squeezed particularly hard by the federal Tories in the last two years, are going to see some relief but that relief is not going to come immediately. That relief is going to come next year, but on many other aspects the Budget is going to be really neutral in pocket terms. It is going to be negative in long-term terms because there is no thrust. It is an accountant's Budget and, by that, I mean it does not have any underlying thrust. There is no long-term thrust there.

(Mr. Deputy Speaker in the Chair.)

It is a very diligent attempt at balancing the Budget or at least creating the illusion of a balanced Budget or a reduction of deficit, but again there is no plan in here. The Minister of Finance (Mr. Manness) may believe, and I think wrongly, that the elimination or the reduction in the payroll tax is somehow akin to an economic policy.

Mr. Deputy Speaker, I can assure the Minister of Finance (Mr. Manness) that the \$20 million reduction, which was a year-over-year figure I presume, that is estimated in payroll tax paid by large corporations in this province will not add a single job to this province. It may be reflected in the bottom line of individual corporations, but to suggest that reducing tax on business in 1989 is going to have an impact on the economic prospects of the province is a rather limited economic view. I do not think frankly it would be shared by any independent analysis of the province's economy.

So what we have is an accountant's Budget which provides us with some good feeling, a warm fuzzy feeling today; no immediate relief to the hard-pressed consumers out there; no immediate relief for those who are starting to feel the pinch of increased inflation, high interest rates and an increasing unemployment rate; and a Budget which is very short on vision, which is very short on setting a direction which will provide some sense to the people of Manitoba that the economy will grow and expand under this Government.

As I have mentioned earlier, most of the economic development portfolios—Natural Resources, Energy and Mines, Industry, Trade and Tourism—have effectively been neutralized by this Budget. There is certainly no major thrust in any of those departments which would lead one to conclude that the employment prospects for people in rural Manitoba and people in Winnipeg are going to be improving.

Mr. Deputy Speaker, how much time do I have left?

**Mr. Deputy Speaker:** Three minutes.

**Mr. Storie:** Three minutes. Thank you, Mr. Deputy Speaker.

The Leader of the Opposition (Mrs. Carstairs) in her speech yesterday was quoted at least in the media as saying that this Government was like a shill and I am trying to find the quote. This is the best of the Leader of the Opposition.

Mr. Deputy Speaker, let me now turn to the numbers game. Watch the shell. The shill says to the watching crowd, particularly the most gullible, now you see the deficit, now you do not. That particular phrase is the only phrase, I think, which captured the essence of one part of the Budget.

I heard the Minister of Finance (Mr. Manness) on radio this morning defending the Stabilization Fund, and my only thought was that we will have an opportunity to debate the piece of legislation which introduces the Stabilization Fund. I want to assure the Minister of Finance that if the intention of that fund is as is stated or was stated on Budget night, if the intention of that fund is simply to level out the fluctuations in deficits and the fluctuations in revenue that are experienced by the province, I would have a difficult time voting against it.

\* (1640)

I think we have made it clear that on balance, although the Budget is relatively a nondescript document in many respects, the taxation side, the benefits to average working people that flow from the Budget are good, but if the Stabilization Fund turns out to be a slush fund, if the Minister of Finance (Mr. Manness) dips into that fund for projects like we saw the federal Conservatives do during the run up to the federal election, if we have a \$50 million dip in here, and a \$12 million dip in there for projects which are clearly political, then we have a problem with the fund.

I can assure the Minister of Finance that we will be asking questions, we will be clarifying the intent of that legislation, and if it reflects an accountant's dream when it comes to stabilization, then it is innocuous enough to be supported.

On the other hand, the Minister is missing a golden opportunity to support rural Manitoba, to support Northerners and northern Native people, to support the unemployed, to support the delivery of services by creating that fund. He is missing a golden opportunity to shore up some of the services that Manitobans have come to expect and who have a right to expect from their Government.

Mr. Deputy Speaker, I think my time has been used up. I look forward to someone else's comments on this important document.

**Hon. Harry Enns (Minister of Natural Resources):** Mr. Deputy Speaker, I appreciate very much the opportunity of entering into this important debate. Allow me to commence with the traditional congratulatory remarks to the Speaker, and particularly to you, Mr. Deputy Speaker (Mr. Chornopyski).

I think this House is going to be well-served with your presence in the Chair from time to time, not to take anything away from your immediate predecessor, but those of us who have been in this Chamber for a while realize the important and sometimes difficult tasks that are entailed and the many hours that you will be called upon to preside over the goings-on of the affairs of this House, particularly when we are in Committee of Supply.

I extend, through you, certainly the same congratulatory greetings to all the staff who serve us here in this Chamber, the Sergeant-at-Arms, the Pages, the Attendants. I think in all they have in the past, and certainly those new ones have already demonstrated that we will be well-served in that capacity as we proceed with this Session.

Mr. Deputy Speaker, I cannot avoid a comment or two of a more personal nature and I indicate to all Members of the House my feelings of personal satisfaction at being able to speak to the Chamber once again as a Member of the Treasury benches. I am thankful to my Premier (Mr. Filmon) and to my Cabinet colleagues for bringing me back into the fold, and I look forward to working with them.

I should indicate, just before I get into the comments with respect to the Budget, that my sabbatical year in the back bench was an opportunity that I treasured and gained additional experience. Indeed, I found some good companionship back there and Members will note that I stayed in the back bench with those new-found friends and Members of caucus that I value highly, and listened to their advice.

I have that particularly in mind when I realize how fortunate I am to have been seated beside the Member for Swan River, the Honourable Parker Burrell, who one could not really ask for a better deskmate.

As I mentioned in my years in the back benches, I did in reviewing my diary of '88 make the odd comment, observation, that I pass on to all Members of the House that indeed some of them may find useful on both sides of the House. I note for instance, on May 19, this comment was put in my diary here that the Opposition are not really the Opposition. They are only the Government in exile. The Civil Service are the Opposition in residence. On another occasion, I note that Ministers are not deemed ignorant because we do not give them the right answers. It is because we do not ask them the right questions. Another occasion which I note, Ministers do not really believe they exist until they are reading about themselves in the newspapers, and so on.

There is one here—did I really write that, Mr. Deputy Speaker?—when you have got the Cabinet by the balls,

their hearts and minds will soon follow. Well, enough of that. I will get on to more serious matters of state and I want to take the latitude that the debates traditionally, on both the Budget and the Throne Speech, give us and allow us as Members. I think it ought to be recalled and remembered. I know that sometimes some of you perhaps feel that these debates on the Throne Speech and on the Budget are perhaps not the best utilization of our time, but I remind you, Sir, and all of us—and certainly the many years that I have had the privilege of serving this House—it is really the only two occasions where a Member can put on the official Journals of this House really and truly what he feels about a wide range of matters, and indeed most of us take advantage to do precisely that.

It was therefore, I think, entirely appropriate that because of the events of this past week that international issues were raised in this Chamber. It was my intention, had I had the opportunity to speak on the Throne Speech, and it is my intention to raise an international event, not the one that I am going to particularly allude to in any event because they do impact on all of us. I refer of course to the Leader of the Opposition (Mrs. Carstairs), my Premier (Mr. Filmon), the Leader of the New Democratic Party (Mr. Doer) the other day acknowledging our deep concern about the events that are taking place in China today, the tragic concerns that are taking place in China today.

I suppose it is because the event of having them televised into our living rooms and having them seen so forcibly in colour that we react as you would expect free people to react to this kind of brutal suppression of young people, particularly who were after all only seeking what all of us take for granted. Those of us who have watched the political scene, particularly on the international level a little longer, it may come as some surprise if I suggest to you and to Members of this Chamber that the reaction taken by the Chinese Government last week that has correctly and appropriately been described as simply unacceptable and has horrified us all, by their standards, would have to be described as moderate and restrained. After all, history has recorded what these same regimes of totalitarian nature, of communist nature, have done to their own people on other occasions when they have risen to protest the kind of Governments they have had.

The Liberal Leader (Mrs. Carstairs) reminded us of the events of Hungary in the mid-'50s, of Czechoslovakia in '68. Mr. Deputy Speaker, it cannot be denied and indeed it is being in fact confirmed from sources within that millions of people, millions of citizens of the Ukraine particularly, were butchered and starved by a Communist Government, by a Government that still exists, because when you look at the leadership of these Governments, whether they are in Moscow or whether they are in China, they are of 70 and 80 years' vintage. That means that all of them were junior achievers in that same Government when millions of their people were being brutally murdered and killed. So, Mr. Deputy Speaker, as terrible as these incidents of last week are, let us remind ourselves after all they are only killing people in the hundreds at this stage, not in the millions that these same Governments have shown that they are capable of but a few decades ago.

\* (1650)

So I think it is entirely appropriate that this House take but a few moments to recognize, and I am pleased that is being felt and being expressed on all sides of the House. It was my intention to relate the phenomenon that we are witnessing as we approach the '90s also at the international level in terms of how I think it affects the politics of us here in Canada, of us here in Manitoba, of our political structures here in this country. It should not be clouded by the events unfortunately that have taken place in the last week but that were beginning to unfold over the last few years under the leadership of Mr. Gorbachev in the USSR and under the very same leadership that is now in question in China that was sending a clear signal, a clear message, that after decades, indeed in the Soviet Union's case since 1917, that state intervention, a state-run economy, was not the answer and indeed was very much the cause that now these very same oppressive Governments are seeking some way out of their dilemma.

The dawning has finally come to them that in order to give those citizens of theirs the basic requirements that most of us want, and indeed that most in the Western World have achieved, not always with equity but at least in an abundance that seem unreachable for those who have lived under the yoke of a state-controlled economy. What drives Mr. Gorbachev and the reformers in the USSR and what has done the same in the China economy is that realization that as slow and as long as it has taken for them to come to that realization that some fundamental change was required in the manner and way in which their economy was being run before they can utilize and bring about that kind of quantum improvement in the standards of life that their citizens are demanding.

Mr. Deputy Speaker, I said this last year, I wish them every good fortune. Many of us have family and relatives in parts of these countries. In my own instance, I am looking forward with a great deal of anticipation and delight of a visit from an immediate family member from deep within the heart of the Soviet Union, from Tashkent, my first cousin, my mother's sister's daughter, making the first family contact with my family here that is in Canada since we separated, or the parents separated in 1926. That kind of relationship makes it all the more meaningful for somebody like myself to watch what is happening in the Soviet Union and to fervently hope that this can indeed be, slowly as it may take but step by step, a move towards a kind of reconciliation of the two opposing forces, if you like.

Let us take some solace out of it. They are moving our way, economically speaking, because while we have not resolved all our difficulties, we may not have been distributing our good fortune as well as we could, and that of course is a constant task before all of us in this Chamber, but the point is we have something to distribute, whereas the economies of the countries that I referred to, that is still the big problem. That is still the big goal, to get to those kind of production levels whether it is in agriculture where they could be self-sustaining, whether it is in other consumer goods that people of the world now feel that it is virtually their right to have.

I cannot help but, in that context, slowly come to some political comments as well. I remember well when President Ronald Reagan was first elected in 1980, the kind of greeting that he was given by our Liberal leftist friends, the smirking that went on, the fear that went on when Margaret Thatcher came on the scene, and the dire predictions of doom and gloom. Indeed those were the days when the fear and the concern, and it was real and it was there, of a nuclear disaster were higher up on the list of everybody's priorities. I can recall a speech being made in this Chamber about how the doomsday clock that the peace activists have as a model or as a symbol was moved up to four minutes to midnight on the night that Ronald Reagan was elected.

What is the fact? Whether you want to call him a Hollywood cowboy or not, he has presided over virtually a decade of unprecedented growth in the Western World, and particularly his country that he was responsible for. More importantly, this so-called warmonger has brought about a state of peace and peace initiatives that we would not have dreamt possible at the beginning of the decade, that we are denuclearizing the world.

I have not heard from any of my peace activists whether they have moved the hand of the clock back to six o'clock or back to even three o'clock in the afternoon because of the eight years of Ronald Reagan's Government and leadership of the Western World. I have not heard that, but the truth of the matter is we are now meeting and it is a question of whether the Western World can catch up with Mr. Gorbachev's initiatives in demilitarizing the world. While that was going on, presiding over—and this is not a question of politics, this is a matter of economic fact—65 months of sustained expansion and growth in the economy.

**An Honourable Member:** How about the deficit, Harry?

**Mr. Enns:** Sixty-five months of sustained growth in the economy. I will come to the deficit, and my friend will agree with me and he will support me in my call for action on what should and what can be done in terms of leadership of the deficit.

The thought occurred to me and, really, if it has occurred to me it surely must have occurred to my friends opposite, particularly to our friends of the New Democratic Party, because while these monumental worldwide changes were taking place in the cradle of socialism, in the heartland of state-run economies, of Crown corps. if you like, where did that leave them speaking philosophically in this country? Indeed, where does it leave Canada? We see countries that have for 20, 30, 40, 50, 60 years tried the state-run way and now, reluctantly but assuredly, come to the conclusion that the freedom to enterprise is a necessary prerequisite to a healthy economy. That truly is what is at the heart of it.

Where does that leave Mr. Cy Gonick who teaches our young people economics at the University of Manitoba, who once sat in this Chamber, stood in this very place where I am making this speech, where he held out the Marxist philosophy, particularly that of China, that of Mao, as being the way?

Where does that leave a former Attorney General of this Chamber, of this Government, of a Government of Manitoba, who in this Chamber acknowledged his long and treasured Communist past and indicated that he had no need, and the New Democratic Party had no need to feel that any accommodation was a problem. Where does it leave these people? I am always amazed at the silence of our extreme left wing, and I refer to our Manitoba Communist Party. Where are they when the events that are taking place right now in China are being aired and viewed? There is a strange silence that prevails over that group, and rightly so.

I support the pluralistic society that we have, both politically, culturally and religious. I have no desire to deny any political group their rightful place in the public eye. I do not believe that they should be banned or outlawed, but I do not think that those of us who have a strong feeling of opposition to those points of views should feel in any way compelled not to remind them on occasions such as this.

\* (1700)

When their political brothers are killing and murdering and driving tanks over students in a public square in China, they want to rethink their political philosophy and they want to rethink it long and hard before they try to preach that message here in Canada, here in Manitoba.

I suspect this whole international phenomenon that is taking place is leaving and presenting those of socialist thoughts in our country, be they housed in the New Democratic Party, in the Liberal Party, or indeed in our own Conservative Party, room for a lot of second thought before we try to impose those kinds of systems on our own society.

Now to the Budget, because it is an amazing document. It offers and affords this House to react in a particularly unique way. Just in very general terms, allow me to congratulate the Minister of Finance (Mr. Manness) for the document that he presented to us last Monday. It has not been my experience—and I know the business of politics that we are all in—that one can expect the kind of reaction to most Government measures from those who are in this Chamber to oppose, but let us examine for a moment this particular document and see whether that kind of traditional opposition is warranted.

I know that there are Members opposite who over the years have become as concerned as many of us on this side have about the size of the deficit. I also know that many of us wrestle with the problem of how to make that real. How do we make that understandable to our electors, to the man on the street? We talk in millions and billions. It seems to lose the importance.

When we bring it down to the idea of what it costs to service the debt, it is still difficult to manage, but the statement that the Minister of Finance (Mr. Manness) has used in the past—and I encourage him to use it more often and all of us need it more often—when we realize that we are paying \$1 million plus—\$1.5 million is it?—\$1.6 million a day on carrying charges, a million dollars a day in carrying charges to service the debt,

which one of us as MLAs could not use that million dollars to better purpose, to build that road, to build that hospital, to improve our education system? Surely there cannot be any disagreement on the part of anybody that control of the deficit, the reduction of the deficit, bringing it to manageable proportions is of the highest priority.

I see no dissenting heads and I do not think for a moment that if I could speak to every individual Member in the Opposition here, there would not be one who would not agree that \$1.6 million ought not to be spent that way.

This Government, this Minister of Finance addresses that concern just in the most dramatic way. When you consider that it was just a few years ago we were getting accustomed to \$400 million, \$500 million deficits being brought into this Chamber year after year after year, and those were relatively good times, the economy was reasonably strong, as the spokesman of the Government of those days used to remind us.

Accompanied with those deficits of course was virtually uncontrolled spending. Spending on the part of the Government ran at a rate of 14 percent to 17 percent to 18 percent, and we used to argue because the Government was very adept, the previous administration, of hiding the true spending figures. They had some unique means at their disposal of placing Government expenditures into certain appropriations where it took us a long time in Opposition to find out exactly what the rate of a spending increase was in any given year.

Mr. Deputy Speaker, the first major goal of any Budget of today's Governments, not just in this province but right across the land, surely has to be deficit control. This Minister, this Budget shows a tremendous amount of leadership in that area.

Tax reductions—that is a given. We pay taxes. We pay taxes reluctantly maybe, but we realize they are necessary. When we find ourselves as one jurisdiction out of 10 getting out of sync with our neighbouring jurisdictions, becoming virtually the highest taxed province in the country, it makes it that much harder for our businesspeople to compete. It makes it that much harder to keep our professional people if a nurse earning the same salary here can make \$600 or \$700 or more, or \$1,000 more, merely by moving to Edmonton or Calgary. So many of our other young and bright people do that, have done that in the past, and will continue to do that unless we make some effort to bring our taxes at least to a comparable level with other jurisdictions in this country.

This Budget, this Minister of Finance (Mr. Manness), addresses that problem. I have heard favourable comments from Members of the Opposition. Just the last speaker, the Member for Selkirk (Mrs. Charles), did acknowledge that she could support that measure. Surely if I were to canvass all Members of the Opposition, yourself included, Mr. Deputy Speaker, that the reduction in personal income tax giving back some of the Kostyra tax grab that has been accurately described by Liberal spokespersons and by ourselves as being the highest and the biggest ever imposed on

the Province of Manitoba, giving back some of that surely is a laudable and supportable effort. I cannot really, from the bottom of my heart, believe that Members opposite will not support that measure.

Mr. Deputy Speaker, I call on your good common sense and your political influence within your group to, in the quiet calm of your caucus—I know they do not let you smoke there but when you do come back in—prevail on your colleagues and have that quiet chat with them. There are some pretty sensible people in that grouping there and I think you can maybe do that.

So, Mr. Deputy Speaker, the two items—deficit is being addressed by this Budget and tax reductions. One of the, I suppose, greatest failings of the past administration, the Pawley administration, was their unwillingness to exert any control on spending. I indicated just a few moments ago, if you check the Budgets, if you check the records, if you check the Estimates, you will find that in those years, spending increases rolled along merrily at two and three and four times the rate of inflation, 14 percent, 17 percent, 18 percent, 20 percent were the order of the day. At the same time, they were loading up these record deficits.

Much has been made of the fact that this Government, this Minister of Finance (Mr. Manness), has been the beneficiary of windfall revenues from Ottawa, from increased mining activity. Be that as it may, what this Minister and what this Government can take full measure of credit for is what we did with those revenues. When this Government can indicate and when this Minister can indicate that we have kept spending of overall Government departments to within or indeed below inflation rates, that surely is a laudable and supportable action on the part of a responsible Government, particularly when within that level of spending restraint, the Government has been sensitive to those very areas that Opposition spokespersons have stood up time after time and told us where special needs are in Health, in Education, in Family Services.

\* (1710)

In those areas, that restraint has not been exercised as strongly. Those increases are at a higher level, at our universities, in our health facilities and in the other social programs. But, Mr. Deputy Speaker, are my words falling on deaf ears? Surely, men and women of reason can understand that in general and in global terms this Budget brought down by this Minister is about as close to a perfect document as is possible in today's complex Government: a reduction of the deficit, a reduction of principal taxes, no increases in principal taxes, spending restraints to within the levels of inflation, a true demonstration of living within our means, yet sensitivity to those areas of special concern that have been identified by ourselves, by the Opposition, by the practitioners in the field and by the general public.

Mr. Deputy Speaker, now there is something that we can do and this Chamber can do and I appeal to all Members in this Chamber most earnestly. I believe this is a unique Budget in this country: I know it is unique to the history of this province because there are many

of us who have sat through too many other Budgets, including the present Minister of Finance (Mr. Manness).

I, for one, was prepared to believe your Leader when she first came into the House and indicated that she was going to provide a different kind of Opposition. I remember that and I took it to heart. I wanted to believe her. I still want to believe her.

Members of the Opposition have another five or six days to contemplate how they are going to respond to this Budget. Allow me—and it is not for me to give political advice to Members opposite, but the generous nature that I have does not prevent me from doing it because I honestly and sincerely believe that it is in the interests of the Liberal Party to demonstrate that they are not just the traditional type of Opposition, that they and that we have a unique opportunity of sending a message to all our sister provinces and particularly to our federal Government that balanced Budgets, controlled deficits, restraints on spending are the order of the day, and the only way we are in a position to do it is by unanimously supporting this Budget. I say to my friends opposite, particularly the Liberal Party, that this is well in their political interest to do so.

Mr. Deputy Speaker, you have said and the Leader of the Opposition (Mrs. Carstairs) has said that they intend to accept their full responsibility as Members of the Opposition to give line-by-line consideration as to how this Government, how these Ministers spend the monies contained in this Budget. That is fair ball.

I accept the fact that an aspiring Minister, now in Opposition, does not agree with the way my Minister of Housing (Mr. Ducharme) is spending the money that he has allocated or that an aspiring Minister of Natural Resources does not agree with the way I will be allocating the monies or the Minister of Health (Mr. Orchard). They have the full opportunity to make those speeches, pass those resolutions, call a press conference and say that the Minister of Health (Mr. Orchard) is misallocating certain resources, the Minister of Natural Resources is doing something wrong. Let them do that. That is their job and they can make their politics at it, but you are missing the bet. You have not been listening to the people if you vote against this Budget.

I say to you, because there is a greater responsibility and a unique responsibility that Manitoba, the keystone province of Canada, has. We are but a million people, but we are proud people. We have the opportunity of showing a kind of leadership that is far and above what one normally would expect of a province of our size and of our political influence, to bring in virtually a balanced Budget that is unanimously supported in the Manitoba Chamber at a time when many people in Canada are watching us. What kind of a signal would that be not just to all of Canada but to our own, that we are not just spending time squabbling in this House? We are working co-operatively and in the interests of all our citizens, and we have set aside on such an important issue as fiscal policy of this province. We have put that above Party politics at least just for a moment.

We get right back into it when we start considering the line-by-line Estimates of the departments. But I

would ask Honourable Members to treat this seriously. It is my political judgment that you will do your political future's only harm in voting against this Budget. I should not be giving you that advice. It is easier for me and for my group and my Party to knock on the doors whenever we have to, to indicate the position an Opposition took on this Budget.

Let me also say, from my experience in most instances—I will even correct it. Virtually in all instances, it has been possible for an Opposition to vote against the Budget but then we have never had a Budget like this before presented to us. We have just never had a Budget that encompasses all of the major things that were presented to us Monday afternoon, at least not in my 23, 24 years' experience in this Chamber.

There have always been Budgets that had—they have been described as sunshine Budgets. They have done great and wonderful things for certain sectors of our society, particularly just before election time. Usually there was a tag end of a \$300 or \$400 million deficit attached to it. If I was responsible and I believed in the evil of a deficit, then I in good conscience could vote against it and did.

Mr. Deputy Speaker, I will acknowledge it the other way around. I was also part of an administration, the Lyon administration that are deemed by some to have been overly reactive to the problems of fiscal control. Perhaps in the minds of some, certainly in the minds of the Opposition of that day, they in good conscience could vote against it. That is not the case with this Budget. The Minister of Health (Mr. Orchard) is getting the extra dollars he deserves. The Minister of Education (Mr. Derkach) is getting the extra dollars they deserve. Mr. Deputy Speaker, we are putting badly needed money back into the pockets of every man, woman and child in this Province of Manitoba.

Mr. Deputy Speaker, I would ask you simply to take that responsibility that I offloaded on you a little while ago. Have that checked with your colleagues because I believe that there is a unique opportunity for the keystone Province of Manitoba to in a very—and we will get national press, we will get national coverage, not because it is great to have national coverage but the issue deserves national coverage: balanced budget, deficit control and wise and prudent spending restraints on Government activities, living within our means.

Thank you, Mr. Deputy Speaker.

**Mr. Deputy Speaker:** The Honourable Member for Springfield has the floor.

**An Honourable Member:** You do not want to speak after Harry?

**Mr. Gilles Roch (Springfield):** Mr. Deputy Speaker, I was not sure if you looked this way or not.

First of all, I would certainly like to congratulate the previous speaker. As ever, he is eloquent and the Minister of Health has taken his advice, also may consider advice from all quarters and take into consideration before I make a decision. - (Interjection)- No, I am willing to listen to one and all. The Minister

of Health says, my Leader has not told me how to vote yet. No, she does not tell anybody how to vote. We do it by consensus. The Minister of Health (Mr. Orchard) is probably not familiar with consensus.

In any case, there are a few interesting quotes in this document. Certainly I will not quote the whole document. The Minister did a good job last Thursday of quoting the whole document.

\* (1720)

On page 3 of the 1989 Manitoba Budget Address it says, and I quote: “. . . over the past year spending, particularly debt costs, have come in well underbudget. Other revenues have been higher than anticipated and we have benefitted from increased federal transfers.” On page 4, another quote: “A new Department of Rural Development will provide a more co-ordinated and pro-active approach to economic development and diversification initiatives.” Further on, on page 23 of the same document the Minister states: “Therefore today I am announcing the Government's intention to establish a Fiscal Stabilization Fund—\$200 million of the exceptional revenue received in 1988/89 will be deposited in the Fiscal Stabilization Fund.” Those are three short quotes of a very lengthy document which I certainly want to expand on.

I happened to be listening to the Action Line of Peter Warren show on the way down here and I caught part of it. It appears that the Minister, who is normally a very calm, cool, collected chap, takes exception to the fact that Mr. Warren, as others out there, realizes that this is a slush fund. They do not like it to be called that but I remember when the Minister and others in the Government caucus were in Opposition, they used to refer to the NDPs—by the way, Mr. Deputy Speaker, if the rules allowed me, I would point out there are no New Democrats in the House. Given the fact the rules do not allow me to say that, I will not point out that there are no New Democrats in the House.

When the NDP were in power, they had a Jobs Fund which was often referred to as a fraud fund. So the NDP had their fraud fund and the Tories have their slush fund. Essentially, what is the main difference? We are not too sure, we are not too sure.

Mr. Deputy Speaker, the reason I picked out these quotes is because the Minister himself admits they have had exceptional revenues, especially the federal transfer payments, the higher than anticipated mining taxes which are due to world markets, and of course this Government is the beneficiary of the NDP budget of 1987 which was then called by the Opposition, the tax grab of the century.

So, therefore, I have to say that the result, the ability to get these revenues to bring down this Budget is due to good luck, not good management because, Mr. Deputy Speaker, you know talking about luck, maybe it is no wonder they wanted a casino. Maybe they thought their luck will keep on and they will just roll the dice and Manitoba will keep on rolling it in.

I think that in the long term we need proper fiscal management, a diversity of backgrounds in a



Government, in a caucus, in order to properly administer the revenues received. This Government has not demonstrated that. You can count—I have said it before and I will say it again—you can count on one hand. It takes all five fingers now since the last shuffle. You can count on one hand the competent Ministers in this Government. It is not enough, Mr. Deputy Speaker, not enough.

The fact is the tax cuts could be had now. We, in this caucus, would like to see them July 1. It has been said it is not possible, that they will not print out the forms required in a minority situation until the Budget has been passed, or they want to wait to see if it is passed or not.

Contrary to what has been said by Members opposite and the Minister of Finance (Mr. Manness) particularly, I am certainly not attacking him personally and I know he realizes that. He is not as sensitive as the Member for Rhineland (Mr. Penner) despite the fact that we have possibly differing political views, now we are still good friends and can still talk to each other. Getting back to the possibility of the forms, if you recall the minority Government of Joe Clark in 1979, at that time a Budget was defeated, yet the forms had been printed in anticipation of its being passed. As a matter of fact, for those of us who had to file income tax in the following year there were provisions, certain spaces on there which in the instructions we were told not to use, simply because they had been put there in anticipation of the Budget possibly being passed.

So when we are told we cannot get the necessary forms, that is just not true. The Government can order those forms. If they are not necessary, you cannot use them, then you do not use them. It is as simple as that. So it is a very lame duck poor excuse to say it cannot be done this coming July. It can and should.

Mr. Deputy Speaker, I was out in my constituency over the weekend and again all day yesterday, so I was out there before and after the Budget. Out in rural Manitoba, it is not being that well-received or perceived. They are looking at it and saying, there have been cuts in agriculture, no significant increases in what is now called Rural Development, the former Municipal Affairs Department.

Certainly there has been \$100,000 put in for a Brandon office, and that is good, but what about the other parts of the province? What about eastern Manitoba? What about southern Manitoba? I realize there are no major cities there, but we are talking about rural decentralization. With all due respect to the residents of Brandon, I respect them and they deserve as much as the rest of the province, but the rural areas are where you need to decentralize as well.

I think in that respect more needs to be done, and I will possibly try to elaborate a little further on that, time permitting. Again in rural Manitoba, as was told to me by one person in either Whitemouth or Elma, in that general area, a farmer who lived in between there, he says, well, as usual," and this is a fact, "fuel taxes hit rural Manitobans hardest," and it is true.

It would not be as bad if those taxes were of benefit for the same people who are paying those taxes, but

unfortunately in this case, unless this Government can prove to the contrary, it appears that this tax is going to be used to build roads for the company that bought Manfor, Repap Enterprises. I sincerely hope that this can be proven wrong. I sincerely hope so, but to date that does not appear to be the case.

Mr. Deputy Speaker, I just had to repeat what I said a while ago. I said I do not believe that this Government overall, except for that handful, is competent to govern. Some of them say, well, I think this is a type of Budget—when I say "some of them," I am talking about commentators in the media—which the Tories would like to go into an election with.

If I recall correctly, last year it appeared that they had all the marbles in their corner. They were not able to cut the mustard, they had a liability. They had a liability because in those five competent Ministers it does not include the First Minister (Mr. Filmon). That is a liability. The people of Manitoba do not have faith in the current First Minister to preside over an administration with those kinds of revenues coming in. That is the problem. For the Leader of the Official Opposition (Mrs. Carstairs) to be the Premier with this kind of Budget, the people of Manitoba would have no problems. Then possibly it could pass unanimously.

**Mr. Doer:** Well, which way are you going to vote?

**Mr. Roch:** Well, the Member for Concordia (Mr. Doer), the unofficial Deputy Premier, asks which way are you going to vote? I will let you know when I am good and ready.—(Interjection)— Well, the would-be PC Member for River Heights, the Member for Concordia (Mr. Doer), says fish or cut bait. It looks like he has cut bait or he is fishing or one or the other. He is not sure. He went to Brandon and he came back and he says, "I am going to support this Budget." There is no doubt about that. He had his mind made up before the Budget came in. Of that, there is no doubt.

**An Honourable Member:** Tell it like it is.

**Mr. Roch:** That is right. I am telling it like it is and I am glad to see that the Member for Concordia (Mr. Doer), the unofficial Deputy Premier, agrees with me.

**Mr. Driedger:** Watch it, you have to take it easy because if the Liberals kick you out, where are you going to go?

**Mr. Roch:** Unlike the Minister of Highways and Transportation (Mr. Albert Driedger), I have a lot of places to go to. Some of us do not rely on this Chamber for a source of income.

—(Interjection)— I was not aware that the Member for Concordia (Mr. Doer) had friends in the Liberal Party but I will tell you this much. My friends in the Liberal Party tell me that you are gone. So I think that I would much rather be a Liberal candidate in Springfield than an NDP candidate in Concordia, of that there is no doubt. Anyhow, the Member for Concordia, the unofficial Deputy Premier, makes me digress from my notes.

**An Honourable Member:** You are not supposed to have notes. You know the rules.

**Mr. Roch:** Well, the Minister says you are not supposed to have notes. Of course you are allowed to have notes. You are not supposed to have a prepared text, like some of your Members, including the Minister of Energy (Mr. Neufeld) awhile ago was reading from. He admitted it in his speech.

**An Honourable Member:** Not everybody is as fluent and as glib as you are, Gilles.

**Mr. Roch:** Well, I thank the Minister for his compliments. They are few and far between these days.

We talk about a Government here who is supposed to be business-oriented. They turn around to the Telephone System and they want to sell fax machines. I realize that it has been reported in the press that the Manitoba Telephone System board is split on this. The dealers have been calling me and other Members in this caucus. They are upset. These are not big businesses, these are small businesspeople who are concerned about the Government getting into the fax machine business. Then the chairman of the board turns around and says, well, we are not going to turn around in a hustle and push sales. If I was a member of the board of the Toshiba Corporation, I would be very concerned about signing a contract with a company that does not intend to go out there and market my product. It just does not make sense. This is good management? This is a fiscally responsible Government? I do not think so.

On this issue, I think that this Government should remember, especially the Minister of Health (Mr. Orchard) when he was critic for MTS, the statements that he made, that several made, that MTS should not deviate from its original mandate which was to provide the best possible service, in this case being the telephone service, at the lowest possible cost. We know what has happened before when they deviated from that mandate. No one needs to be reminded about the MTS fiasco, which the Minister of Health, to his credit, did a very good job of uncovering. There were other items, MPIC, when they deviated from providing car insurance. Any time a Government Crown corporation deviates from its original mandate it always goes haywire.

I realize right now there is maybe a little push because of the alliance between the NDP and the Conservatives to do a little bit of state intervention in private business, but they are not hitting the multinationals, they are hitting the small business operators. That is wrong, Mr. Deputy Speaker. I certainly hope that he does not decide to pull the plug, have an inventory of fax machines which they will then turn around and give to their senior executives, as they did with the Commodore computers some time ago.- (Interjection)- The Minister who shakes hands with ghosts, as he calls them, mentioned it might be that the small businessman certainly would like to get bigger, but when you are in an elected office you do not have time to expand your business. I am sure that if he had a chance to be in this kind of operation

he would be a much bigger farmer, but I guess whether we agree or disagree at times we all know and make a personal sacrifice when we enter this Chamber.

To go more specifically into the rural development area, I have a few notes which are permitted. The Throne Speech promised that there would be initiatives to address the need for improved services, improved library services for rural areas. There are no provisions in the Budget for improved library services.

It appears that this current Government is so sure of its rural base that they believe they can promise whatever they want to rural Manitoba without having to deliver. The Member for Lakeside (Mr. Enns) awhile ago was giving out advice, and that is his right and privilege, and I would like to give a little bit of advice too. I do not think anyone, any Member, should take anything for granted. Just because you have had a history of a certain amount of support in an area, there are no guarantees as some Members from various Parties found out in this last election.

Rural Manitobans do not want to be deceived in this matter. I do not think you appreciate—how shall I put it?—being used in such a cynical way. No, we have heard the promises about rural development and the renewed commitment to rural Manitoba. Rural Manitobans I think will recognize after a while that they are being taken for granted by this Government. My brief tour through the constituency in the more agricultural areas especially is an indication that is what is happening.

Another item which was mentioned in the Throne Speech was that the Government would ensure adequate recreational facilities in rural Manitoba. Once again, we look in the Budget and there is no provision for an increase. There seems to be a trend developing here. It seems that you make a promise, which they did in the Throne Speech, then you forget it because there is no provision for it in the Budget. Mr. Deputy Speaker, again I reiterate, do not take the votes of rural Manitobans for granted. Just like the Member for Lakeside (Mr. Enns) gave us advice on what not to take for granted, I return the favour on giving advice not to take anything for granted either. It works both ways.

Mr. Deputy Speaker, no libraries, no added recreational facilities, a cut in agricultural spending, rural economic development funds are down. You know, when you combine this with the tax on fuel, I think that rural Manitobans are the ones being hardest hit by this Government. While there may be some areas, some aspects which may be popular in some quarters and indeed well deserved in some quarters, I think in their desperate attempt to make inroads in the City of Winnipeg, they are forgetting, indeed abandoning rural Manitoba.

\* (1740)

One good thing about the Government is that it admits there is a need for reform of the property tax assessment in rural Manitoba.

Mr. Deputy Speaker, I keep hearing a phone ring in the background. I do not know who it is for but maybe it should be answered.

To keep on with the effects of this Budget on rural Manitoba, there is an admittance of a need for a property tax reform. The Budget admits that local Governments, rural municipalities, Government districts, etc., need an adequate tax base in order to provide services. I am happy that the Minister of Finance and indeed the Government has recognized a very serious problem, but I would like to know what they propose to do about it. We hear, indeed we can read in the document that the Government expects to proceed with reform, expects is what they say. Why cannot they commit themselves to making reforms? You cannot just expect.

It appears they are of the opinion that there is no urgency in taking action here because again rural Manitobans are not a priority. They figure that, ah, we can count on their votes. We will win our seats out there, they can wait. Mr. Deputy Speaker, we in rural Manitoba are not second-rate citizens. We are tired of waiting. We waited under the NDP Government, expected something from the rurally based Conservative Government. It is not happening.

You know, back on March 16, 1989, in Neepawa, there was a forum, a conference entitled, "A new agenda for rural Manitoba," co-sponsored by the Manitoba Community Newspapers' Association and the Province of Manitoba. The guest speaker during the luncheon was the First Minister (Mr. Filmon). One quote that I would like to state here for the record was that, "Rural Manitoba has consistently supported the current federal Government. Our provincial Government has established a new willingness to work co-operatively. Ottawa now has the opportunity to show Manitobans that co-operative federalism is a reality, not just a political buzzword."

Mr. Deputy Speaker, when you read that and then you read in the Throne Speech that the provincial Government wants to enter into an agreement with the federal Government for programs to further rural development and diversification, it all seems to sound very good on the surface, at least on paper and in writing. Again, it is a nice promise and I certainly wish the Government good luck again in bringing it about.

There is only one slight problem. The federal Government is not entering into any new agreements with the provinces. We are talking about the same federal Conservative Government which is wreaking havoc on Manitoba, the same Government that this Government supported last November. I recall last November 22, when they all walked in with their blue carnations, they were happy. They were happy with the victory of the Conservatives in Ottawa. Now, all of a sudden, I do not recall the First Minister a year ago saying that if he became elected it would be improved relations with the federal Government. A Conservative Government in Manitoba, a Conservative Government in Ottawa would make for new co-operative federalism. It has not happened. They will not even return his phone calls.-(Interjection)- You cannot even, your boss, the First Minister—and I do not think you can even get an appointment with his executive assistant.

Mr. Deputy Speaker, it is unfortunate that this turn of events has happened, but it has happened. The

federal Conservative Government has decided in Manitoba it is not required, it is not needed. They have written them off. Maybe they should do as the Member for Brandon West (Mr. McCrae) suggested around the time that the federal Conservatives cut out the CF-18 contract in Winnipeg and recently cut out the CF-5, that they should change the name of the Party. I do not know, maybe they are still considering it.-(Interjection)- Well, I think that you and I and the Member for Brandon West got together one night and went over some possible name changes, but nevertheless it stayed there.

Actually, one of the names they came up with, and maybe it has come about, was the Conservative Labour Party, and maybe that is what we have today, I do not know.-(Interjection)- Maybe Mr. Doer is not part of that small little group.

**Some Honourable Members:** Oh, oh!

**Mr. Roch:** There seems to be a lot of banter in the alliance benches there, Mr. Deputy Speaker.

As I said awhile ago, agreements are not only not being entered into, existing agreements are not being renewed. I would like to quote from a Conservative campaign '88 brochure, a paper called Background Notes on Rural Development. In there, one of the paragraphs says, because of the importance of agriculture to the rural economy and its vulnerability fluctuating in rural commodity prices, the challenge of economic development and economic diversification is more than one of generating greater agricultural activity. The challenge is also to stimulate off-farm income opportunities. Off-farm income opportunities may arise as a result of expending agricultural processing industries and non-agricultural related manufacturing or service industries.

Mr. Deputy Speaker, the document goes on to say: "Off-farm employment and income opportunities in a region heavily dependent on agriculture and subject to world commodity prices are desirable because they offer specific advantages:

1. Off-farm incomes insulate the farming community and enhance rural Manitoba from fluctuating rural commodity prices. Off-farm employment based on agricultural and food-processing industries provides a significant source of income that is removed from direct impacts of commodity price fluctuations.
2. Jobs in rural centres, whether in food processing, live manufacturing, or service industries stabilize rural populations by offering employment to local citizens or members of farm families. Jobs in those centres may lead to population growth and further economic stimulus.
3. All farm employment strengthens markets for existing businesses.

Very nice promises, Mr. Deputy Speaker. Again and again, where is the action? There is no action?

**Hon. Jack Penner (Minister of Rural Development):** Where is the beef?

**Mr. Roch:** Exactly, as the Member for Rhineland (Mr. Penner) says, where is the beef? There is no beef, just bones.

**Mr. Doer:** I liked you better when you were a Tory. You really thumped that table.

**Mr. Roch:** The Member for Concordia (Mr. Doer) says he would like to be a Tory and thump the table. He tried, but the Member for Tuxedo (Mr. Filmon) would not sign his nomination papers.

Going back to what I was saying about those promises, those very lofty promises about the farm economy and the off-farm income, they are not helping the farmers with a \$20 million decrease in the agricultural budget. It is taken off because it is just the end of drought relief. It seems that they think the problems of drought relief have been solved because of the rain this week.

**Mr. Helmut Pankratz (La Verendrye):** It makes a difference.

**Mr. Roch:** The Member for La Verendrye (Mr. Pankratz) says it makes a difference. Certainly, and I certainly hope it keeps on and we certainly hope we have a very bumper crop and good prices. You have to realize the problems and I am sure the Members opposite do realize, at least most of them, that the problems in agriculture go beyond drought but then again as I said awhile ago this Government is taking rural Manitoba for granted and they figure they can wait, they can wait. They will still vote for us.

Research funds remain unchanged at \$875,500.00. So if inflation is taken into account, there is actually a real decrease in research funding. Mr. Deputy Speaker, I ask you, where is the commitment to the future of Manitoba's farm economy? The 1 cent a litre increase in gas tax, which I alluded to earlier in my brief comments, as I said it hits rural Manitobans a lot harder than urban Manitobans. The Government, the Finance Minister (Mr. Manness) has promised this money will go straight into provincial highways, that this tax will bring in about \$8 million in new revenue.

\* (1750)

Expenditures related to Capital in the Highways budget goes up only \$7.6 million. Inflation accounts for about \$3.8 million or half the increase. Therefore, of this new tax, only about half goes into roads. I think, as I said earlier, that it becomes increasingly obvious that this money is going to finance the roads for Repap. Mr. Deputy Speaker, some Members across chuckled. Hopefully, I am wrong, but it certainly appears to be the case.

When you take a look at the overall Highways budget, there has been no real increase. We are simply back to the pre-Plozman days in terms of dollars.

**An Honourable Member:** Pre what?

**Mr. Roch:** The pre-Plozman days. Do you remember the Minister of Highways, the Member for Dauphin who

cut, slash, \$12 million from the Highways budget in 1986?

**An Honourable Member:** That is too far back.

**Mr. Roch:** When you were sitting behind him, agreeing with him as a Member, as a Minister of Urban Affairs.- (Interjection)-

He still agrees with him. The Minister from his seat says he agrees with that. He is happy that rural Manitobans had a \$12 million cut in 1986 and he is happy there has been no increase, and we are still back where we were. Mr. Deputy Speaker, if there was a real commitment to our infrastructure, this Government would not only make sure there were sufficient funds in place, they would go and talk to their colleagues in the rest of the country and try to establish a national highways policy.

We are one of the few if not the only developed countries that do not have a national highways policy. We are at a \$100-and-some million here in Manitoba, whereas Alberta will be spending a billion. Obviously they have more revenue so obviously they are going to spend more. In the meantime, we do not have the consistency across this country as far as road infrastructure that other developed countries have and that is unfortunate.

Mr. Deputy Speaker, in the Department of Rural Development under the section entitled, Research and Systems Services, there is a \$2 million increase, most of it in and I quote, "Other Expenditures." What is this money for? Maybe we will find out in Supplementary Estimates, I do not know. But I would like to know, is it for a computer or other equipment? Will they finally come out with some kind of policy to govern land use in rural areas? I am referring to agricultural land use policies, rural residential policies, rural industrial, etc.

At this point, under Municipal Planning Services, to date, in Municipal Affairs, for the last six-and-a-half to seven-and-a-half years there has been absolutely no direction, no consistent policy at all, and yet there is a demand out there for rural residential. When you go into areas like Monominto, you go to areas past Anola, sandy soil, bush soil, and you have these so-called planners from the department of what is now known as Rural Development—no, you cannot build here because this is prime agricultural land, and they turn around in the Cooks Creek and Hazelridge and allow the division of three to five acres on prime agricultural land, there is a definite lack of consistency. The left hand does not know what the right hand is doing.

They are getting tired, the people out there, of this department, which has no rhyme nor reason, no consistency whatsoever. Mr. Deputy Speaker, if we are not serious about allowing people to live in rural Manitoba, again we are talking about the promise of a while ago, off-farm income. Many people, out of necessity, have to work in Winnipeg until decentralization does become a reality, must work in Winnipeg but still enjoy the rural milieu, enjoy the rural atmosphere. They like to get out of the city to live, to raise a family, and we are not going to be able to

repopulate the rural areas if we do not allow them to go and live out there.

I realize we have to strike a balance between agriculture and rural residential, rural commercial, but there are areas, there are several areas, Mr. Deputy Speaker, where subdivisions could and should be allowed, but because of the inflexibility of the bureaucrats in the department it is not happening. I even have a case in point, which came to my attention recently, in which the bureaucrat, the planner, went out there in the middle of winter, came back and said, no, we cannot accept that because this is prime agricultural land. Well, hopefully, he is willing to go back now, since I have got involved in the case, and go check it out when he can see what kind of land there is there, Mr. Deputy Speaker.

But anyway it appears, as I said before, in my comments during the Throne Speech that the Government is spending more lip-service to rural Manitoba than actual commitment, not just in terms of dollars but as well in terms of action. I find this kind of difficult to understand from a caucus and Government which is rurally based. I think many people out there expected more in rural Manitoba from a rurally based Government, instead they are being taken for granted.

Mr. Deputy Speaker, the Member for River Heights, the Leader of the Official Opposition, the Leader of the only Opposition (Mrs. Carstairs) in this Chamber, made a few quotes yesterday which I would like to repeat for the record. One quote, and I love this one—I was unable to be here yesterday so I had to read this speech today. Let me quote one. She was just responding to some of the comments made by the Member for St. Johns (Ms. Wasylycia-Leis), and she quoted the Member for St. Johns as having said: "One of her reasons for why she thought it was an orgy of power or one of the explanations she gave was because she could not see any difference, you see, between the Liberals and the Tories. Well, she must have because she voted with the Tories. She certainly did not vote with the Liberals so she obviously was able in her own mind to differentiate between the two political statements."

Mr. Deputy Speaker, we often hear from the New Democrats of which there is one present right now in the Chamber, but the Liberals and the Tories are the same. If that is the case, why are they consistently

propping up this Government? They keep trying to say, well, if they bring in a rural right-wing agenda, we will oppose it, this and that and all kinds of stories. But the fact is, and we have seen it to date, for the past year, this Government has been propped up by the New Democratic Party. As a matter of fact, roughly a year ago, as it was then known, the Attorney General, now the Minister of Justice, said to me, we need a strong NDP in order to survive as a Government.

The Minister of Health, because I was attacking the NDP during my comments on the Speech from the Throne, says to me, you do not know who the enemy is. Well, the fact is that for 20 years the Conservative Party was fighting the New Democratic Party and relegated them to their rightful third-place status. I should not say "rightful." It would be preferable to see them eliminated from the Legislature. It would be of great benefit to the people of Manitoba, but I have seen the enemy and it was them.

Mr. Deputy Speaker, if the rules allowed me, I would point out that the lone New Democrat is leaving the Chamber and there are no New Democrats present but the rules do not allow me to say that. Therefore, I will not say that there are no New Democrats present in the Chamber.

The Minister of Health (Mr. Orchard) is using profanity from his seat again, but I will not repeat them into the record because he would just be happy.

I see my light is flashing. How much time do I have? One minute. Well, by golly, I seem never to be able to finish my speeches these days.

I was going to go on to the Manfor sale and how they cut the Penn-Co Group of Steinbach out at the knees from having an opportunity in their proposed plant in Swan River. Given the fact that I am out of time, suffice it to say, Mr. Deputy Speaker, I am disappointed as a rural Manitoban, as a citizen of Manitoba, that this rurally based Government and caucus has let down the very people who have consistently supported them.

**Mr. Deputy Speaker:** The hour being six o'clock, I interrupt the proceedings, according to rules, and the House is adjourned and will remain adjourned until 1:30 p.m. tomorrow afternoon (Thursday).